

- SUBJECT:** Revising Garza County Health Care District
- COMMITTEE:** County Affairs — committee substitute recommended
- VOTE:** 7 ayes — Ramsay, G. Lewis, B. Brown, Chisum, Krusee, Salinas, Shields
0 nays
2 absent — Farabee, Hilderbran
- WITNESSES:** For — Zoe Kirkpatrick and Michael Travis, Garza County Hospital District
Against — Wesley W. Burnett, Daymon Ethridge
- BACKGROUND:** In 1967, the 60th Legislature created the Garza County Hospital District under authority granted under the Texas Constitution, Art. 9, sec. 9 that allows for the creation of a hospital district in one or more counties to provide medical and hospital care for needy citizens. Garza County voters approved the district in 1969.
- The hospital closed in 1996, and the facility was leased to another medical provider. On May 10, 2000, Attorney General (AG) Opinion No. JC-0220 determined that the Garza Hospital District was authorized to close the hospital and lease the facilities to a private hospital system. It also held that the district retained its obligation to treat indigent residents of the county as well as non-indigent patients who paid the actual cost of medical services. The AG ruled that the district could not be dissolved because no statutory authority existed in the original legislation for calling and holding a dissolution election.
- DIGEST:** CSHB 2477 would amend the original 1967 statute to change the name of the hospital district to Garza County Health Care District and would provide a mechanism for a vote to dissolve the district. The board of directors would be required to call a dissolution election if the board received a petition signed by at least 10 percent of the registered voters in the district. Other provisions would specify the procedure for holding the election and arrange for the disposition of district assets should it be dissolved.

CSHB 2477 would authorize the district to impose taxes of up to 75 cents per \$100 valuation of taxable property, establish the procedure for calling an election to approve general obligation bonds and a tax rate to retire the indebtedness, and authorize the district to purchase and equip buildings and acquire and operate a mobile emergency medical or air ambulance service.

CSHB 2477 would authorize the board to contract with administrative personnel, lease health care facilities for up to 20 years, participate in state retirement systems, and to recruit physicians, nurses, and other trained medical personnel. Other provisions would allow the district to serve non-indigent patients as long as they were charged the reasonable and customary fees for the medical services.

CSHB 2477 would be effective on September 1, 2001.

**SUPPORTERS
SAY:**

CSHB 2477 would present Garza County residents a clear choice of whether to make substantial improvements to the district or to close it down. This bill would send this question back to Garza County where it should be made. Taking this issue to the Legislature could be the only way to resolve what has become a local fight and a clash of personalities.

CSHB 2477 would update the 1967 statute to give Garza County the flexibility it needs to provide adequate medical services to all of its residents. Garza County has encountered the same problems faced by most other small West Texas counties with the loss of physicians and the closing of hospitals. The current clinic operates only limited hours, and residents must travel 45 miles to Lubbock for emergency and hospital care. Revising the statute would give the board the authority to renovate or build facilities needed to attract physicians, nurses, and other skilled medical personnel.

CSHB 2477 would make the district board more accountable to the citizens of Garza County. The voters would be allowed to approve any bond election for items in the bill such as air ambulances that the district board otherwise may be reluctant to place on the bond issue ballot. If Garza County voters were displeased with the decisions of the board or operations of the district, they already have redress through the ballot box to elect new directors.
CSHB

2477 also would address AG Opinion JC-0220 by granting voters additional authority to petition for an election to dissolve the district, something that cannot be done under the current statute.

State law mandates that all counties provide for indigent medical care, and Garza County would retain this requirement even if the hospital district were dissolved. CSHB 2477 would provide a more efficient way of providing medical services for indigent county residents as well as allowing care for Garza County residents who pay for the services.

OPPONENTS
SAY:

CSHB 2477 would authorize significant changes to the original Garza County Hospital District legislation, including a change to a health care district, without the express approval of Garza County citizens. The expansion of service would not be subject to a vote. The creation of a health care district would exceed the authority granted under Texas Constitution, Art. 9, sec. 9.

CSHB 2477 would grant additional authority to a board that had not been responsive to Garza County citizens in the past. The board decided to close the hospital five years ago, but continued to collect the property tax. In February, the board had to agree to a settlement with a couple who claimed that Hispanics were not fairly represented in elections — a decision that cost Garza County taxpayers more than \$30,000. How can Garza County residents be assured that tax money will not be used for unnecessary expenditures such as air ambulances? Also, tax money should not be used to subsidize private companies providing medical services or to provide care for non-indigent patients.

NOTES:

The committee substitute decreased the percentage of registered voters required to call a dissolution election from 15 to 10 percent and added provisions on disposing of district assets after dissolution.

The 76th Legislature in 1999 considered a similar bill, HB 2616 by Counts, which passed the House on the Local, Consent, and Resolutions Calendar, but died in the Senate Intergovernmental Relations Committee.