this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed by the House on May 1, 2013: Yeas 143, Nays 0, 1 present, not voting; passed by the Senate on May 20, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective June 14, 2013.

CHAPTER 1063

H.B. No. 3196

AN ACT

relating to licensing and certification requirements for certain health facilities and to the allocation of Medicaid beds in certain of those facilities; increasing fees.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 242.034(a), Health and Safety Code, is amended to read as follows:

(a) The board may establish by rule license fees for institutions licensed by the department under this chapter. The license fee may not exceed $375 plus:

1. $15 for each unit of capacity or bed space for which a license is sought; and
2. a background examination fee imposed under Subsection (d).

SECTION 2. Section 242.040, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (f) to read as follows:

(c) The board by rule may adopt standards for the specialized care and treatment of persons with Alzheimer's disease and related disorders and provide procedures for institutions applying for certification under this section. The rules must provide for a three-year certification period.

(f) The executive commissioner by rule shall adopt a system under which an appropriate number of certifications issued by the department expire on staggered dates occurring in each three-year period. If the expiration date of a certification changes as a result of this subsection, the department shall prorate the certification fee relating to that certification as appropriate.

SECTION 3. Section 32.0213, Human Resources Code, is amended by adding Subsections (d), (e), and (f) to read as follows:

(d) The executive commissioner of the Health and Human Services Commission by rule may require an applicant for Medicaid beds in a nursing facility under a Medicaid bed waiver application to provide a performance bond in the amount of $500,000 or other financial security as determined by the department to ensure that the applicant provides the Medicaid beds granted to the applicant under the waiver within the time frame required by the department. A performance bond provided under this subsection must:

1. be executed by a corporate entity in accordance with Subchapter A, Chapter 3503, Insurance Code;
2. be in a form approved by the department; and
3. clearly and prominently display on the face of the bond or on an attachment to the bond:

(A) the name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
(B) the toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.
(e) The department may not require an applicant for Medicaid beds in a nursing facility to obtain a performance bond from a specific insurance or surety agency, agent, or broker.

(f) The executive commissioner by rule shall adopt criteria to exempt certain applicants for Medicaid beds from the requirements of Subsection (d), including applicants that are licensed facilities with existing Medicaid bed allocations, criminal justice facilities, teaching facilities, and state veterans homes, and any other applicants that the executive commissioner finds good cause to exempt. The executive commissioner may modify the criteria for granting exemptions under this subsection as necessary to meet the objectives of Subsection (d).

SECTION 4. (a) Section 242.034(a), Health and Safety Code, as amended by this Act, applies only to a license application, including a renewal application, filed on or after the effective date of this Act. A license application, including a renewal application, filed before that date is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(b) Sections 32.0213(d), (e), and (f), Human Resources Code, as added by this Act, apply only to an application filed on or after the effective date of this Act for Medicaid beds in a nursing facility. An application filed before that date is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2013.

Passed by the House on May 7, 2013: Yeas 143, Nays 1, 2 present, not voting; passed by the Senate on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 1064

H.B. No. 3212

AN ACT

relating to the Red River Boundary Compact and the creation of the Red River Boundary Commission.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. The heading to Chapter 12, Natural Resources Code, is amended to read as follows:

CHAPTER 12. RED RIVER BOUNDARY COMPACT; RED RIVER BOUNDARY COMMISSION

SECTION 2. Chapter 12, Natural Resources Code, is amended by designating Sections 12.001 through 12.005 as Subchapter A and adding a heading to that subchapter to read as follows:

SUBCHAPTER A. RED RIVER BOUNDARY COMPACT

SECTION 3. Section 12.003, Natural Resources Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding any other provision of this subchapter, if the boundary in the Texoma area, as described by Article II(b)(1), Red River Boundary Compact, Section 12.002, is not marked in accordance with Article II of the compact, the Red River Boundary Commission shall confer and act jointly with representatives appointed on behalf of the State of Oklahoma to redraw the boundary in the Texoma area in accordance with the provisions of this chapter.

SECTION 4. Chapter 12, Natural Resources Code, is amended by adding Subchapter B to read as follows: