(b) A resolution or order of the governing board under this section must establish
transition terms of office to conform to elections held in even-numbered years and staggered
six-year terms, with the initial board terms of three members expiring in 2014, of two

SECTION 2. Section 130.203, Education Code, is amended to read as follows:
Sec. 130.203. TEXARKANA COLLEGE DISTRICT SERVICE AREA. The service
area of the Texarkana College District includes the territory within:
(1) the taxing district, which includes all [part] of the municipality of Texarkana and
part of the Pleasant Grove Independent School District;
(2) [3] Cass County, except the territory within the Hughes Springs, Avinger, and
Pewitt independent school districts; and
(3) the Avery Independent School District located in Red River County.

SECTION 3. This Act takes effect September 1, 2013.
Passed the Senate on April 25, 2013: Yeas 30, Nays 0; passed the House on May 20,
2013: Yeas 147, Nays 0, two present not voting.
Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 826
S.B. No. 1861
AN ACT
relating to the Angleton-Danbury Hospital District of Brazoria County, Texas.

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

SECTION 1. Subsection (f), Section 1002.051, Special District Local Laws Code, is
amended to read as follows:
(f) Directors serve staggered four-year terms. The district shall hold an election each
odd-numbered year to elect the appropriate number of directors unless four-year terms are established under Section 285.081, Health and Safety Code. If the directors
serve two-year terms, the terms of directors elected to odd-numbered positions expire in
odd-numbered years and the terms of directors elected to even-numbered positions expire in
odd-numbered years.

SECTION 2. Section 1002.058, Special District Local Laws Code, is amended to read as
follows:
Sec. 1002.058. [STAFF PHYSICIAN] OFFICE FACILITIES. (a) In this section, “lic-
censed health care professional” means any individual who is licensed or certified by or
registered in this state to provide health care.
(b) The board shall determine the type, number, and location of buildings necessary to
establish and maintain office facilities for staff physicians, physicians employed under Section
1002.061, and other licensed health care professionals to provide adequate health care services for the district within the licensed health care professionals’ scope of license.
(c) The board may:
(1) acquire property and equipment and construct facilities for the district for use by
staff physicians, physicians employed under Section 1002.061, and other licensed health
care professionals; and
(2) mortgage or pledge the property, equipment, or facilities as security for the payment
of the purchase price or construction cost.
(d) The board may lease the office facilities and equipment to staff physicians, physicians employed under Section 1002.061, and other licensed health care professionals or may sell or otherwise dispose of the property, facilities, and equipment.

SECTION 3. Subchapter B, Chapter 1002, Special District Local Laws Code, is amended by adding Section 1002.061 to read as follows:

Sec. 1002.061. EMPLOYMENT OF PHYSICIANS. (a) The board may employ a physician and retain all or part of the professional income generated by the physician for medical services provided at a hospital or other health care facility owned or operated by the district if the board satisfies the requirements of this section.

(b) The board shall:

(1) appoint a chief medical officer for the district who has been recommended by the medical staff of the district; and

(2) adopt, maintain, and enforce policies to ensure that a physician employed by the district exercises the physician's independent medical judgment in providing care to patients.

(c) The policies adopted under this section must include:

(1) policies relating to:

(A) credentialing and privileges;
(B) quality assurance;
(C) utilization review;
(D) peer review and due process; and
(E) medical decision-making; and

(2) the implementation of a complaint mechanism to process and resolve complaints regarding interference or attempted interference with a physician’s independent medical judgment.

(d) The policies adopted under this section must be approved by the medical staff of the hospital. In the event of a conflict between a policy adopted by the board and approved by the medical staff under this section and a policy of the hospital, a conflict management process shall be jointly developed by the medical staff of the hospital and the board and implemented to resolve that conflict.

(e) For all matters relating to the practice of medicine, each physician employed by the district shall ultimately report to the chief medical officer of the district.

(f) The chief medical officer shall notify the Texas Medical Board that the board is employing physicians under this section and that the chief medical officer is the board’s designated contact with the Texas Medical Board. The chief medical officer shall immediately report to the Texas Medical Board any action or event that the chief medical officer reasonably and in good faith believes constitutes a compromise of the independent medical judgment of a physician in caring for a patient.

(g) The board shall give equal consideration regarding the issuance of medical staff membership and privileges to physicians employed by the district and physicians not employed by the district.

(h) A physician employed by the district shall retain independent medical judgment in providing care to patients and may not be disciplined for reasonably advocating for patient care.

(i) If the district provides professional liability coverage for physicians employed by the district, a physician employed by the district may participate in the selection of the professional liability coverage, has the right to an independent defense at the physician’s own cost, and retains the right to consent to the settlement of any action or proceeding brought against the physician.

(j) If a physician employed by the district enters into an employment agreement that includes a covenant not to compete, the agreement is subject to Section 15.50, Business & Commerce Code, and any other applicable provision.
(k) The board may not delegate to the chief executive officer of the district the authority to hire, terminate, or make any other personnel decisions relating to a physician.

(l) This section applies to medical services provided by a physician at a hospital or other health care facility owned or operated by the district.

(m) This section may not be construed as authorizing the board to supervise or control the practice of medicine as prohibited under Subtitle B, Title 3, Occupations Code.

SECTION 4. Section 1002.251, Special District Local Laws Code, is amended to read as follows:

Sec. 1002.251. DEPOSITORY. The [As soon as practicable after the creation election results favorably to the creation of the district, the] board shall by resolution designate a bank within the county as the district's depository, and all funds of the district shall be secured in the manner provided for the security of county funds. Such depository shall serve for a period of [five (five)] years and until a successor has been selected.

SECTION 5. Subsection (b), Section 1002.252, Special District Local Laws Code, is amended to read as follows:

(b) To secure a loan or line of credit, the board may pledge:

(1) revenue of the district that is not pledged to pay the district's bonded indebtedness;

(2) taxes to be imposed by the district in the next 12-month period that are not pledged to pay the principal of or interest on district bonds; or

(3) district bonds that have been authorized but not sold.

SECTION 6. (a) Notwithstanding Section 1002.051, Special District Local Laws Code, as amended by this Act, an election of the board of directors of the Angleton–Danbury Hospital District of Brazoria County, Texas, shall be held in May 2014, and the directors elected to places 1, 3, 5, 7, and 9 at the election shall serve three-year terms.

(b) The election of the board of directors scheduled to be held in May 2015 must be held, and the directors elected to places 2, 4, 6, and 8 at that election shall serve four-year terms.

(c) The directors elected at the elections to be held in May 2017 and May 2019 shall serve four-year terms.

SECTION 7. (a) Except as provided by Subsection (b) of this section:

(1) 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; and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect January 1, 2014.

(b) Section 1002.051, Special District Local Laws Code, as amended by this Act, takes effect January 1, 2014.

Passed the Senate on May 2, 2013: Yeas 31, Nays 0; passed the House on May 20, 2013: Yeas 147, Nays 0, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013, except as provided by § 7(b).

CHAPTER 827

S.B. No. 1864

AN ACT
relating to the creation of Fulshear Parkway Improvement District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3921 to read as follows:

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