# **BILL ANALYSIS**

Senate Research Center 76R8544 DLF-D S.B. 1197 By: Moncrief Health Services 3/17/1999 Committee Report (Amended)

## **DIGEST**

Currently, Texas law does not set guidelines for operating a nursing home in which a trustee is appointed and emergency assistance funds are used. S.B. 1197 would exclude a person owning, controlling, or operating a nursing home in which a trustee is appointed and emergency assistance funds are used, from eligibility for issuance or renewal of a license as a nursing home operator, and would increase the penalty for occasions when trustees and emergency funds are appropriated.

#### PURPOSE

As proposed, S.B. 1197 sets forth consequences for appointment of a trustee or expenditure of emergency assistance funds for a nursing or convalescent home.

## **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 242D, Health and Safety Code, by adding Section 242.102, as follows:

Sec. 242.102. INELIGIBILITY FOR LICENSE. Provides that a person who owns, controls, or operates a home for which a trustee is appointed under this subchapter and with respect to which emergency assistance funds, other than funds used to pay the expenses of the trustee, are used under this subchapter is subject to exclusion from eligibility for issuance or renewal of a license under Section 242.0615. Requires the exclusion to terminate on the fifth anniversary of the later of the date on which the appointment of the trustee terminates, or the last date on which emergency assistance funds are used with respect to the home. Defines "controls."

SECTION 2. Amends Chapter 12D, Penal Code, by adding Section 12.48, as follows:

Sec. 12.48. CERTAIN OFFENSES RESULTING IN LOSS TO NURSING AND CONVALESCENT HOMES. Provides that, if it is shown on the trial of an offense under Chapter 31 or 32 that, as a result of a loss incurred because of the conduct charged, a trustee was appointed or emergency assistance funds were used for a nursing or convalescent home under Chapter 242D, Health and Safety Code, the punishment for the offense is increased to the punishment prescribed for the next higher category of offense, except that a felony of the first degree is punished as a felony of the first degree.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Emergency clause.

### SUMMARY OF COMMITTEE CHANGES

SECTION 1.

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Adds a new Subsection (a), Health and Safety Code, to provide that a person who owns, controls, or operates a home for which a trustee is appointed under this subchapter and with respect to

used under this subchapter is subject to exclusion from eligibility for issuance or renewal of a license under Section 242.0615. Requires the exclusion to terminate on the fifth anniversary of the

emergency assistance funds are used with respect to the home.