BILL ANALYSIS

Senate Research Center 77R5027 YDB-D H.B. 1788 By: Gallego (Madla) Intergovernmental Relations 4/19/2001 Engrossed

DIGEST AND PURPOSE

Under current law, the ability of the board of directors (board) of the Val Verde County Hospital District to dispose of or acquire property is limited. H.B. 1788 broadens the powers of the board regarding the sale, lease, donation, and acquisition of property.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 10 and 11, Chapter 658, Acts of the 64th Legislature, Regular Session, 1975, as follows:

Sec. 10. Authorizes the board of directors (board) of the Val Verde County Hospital District (district) to sell or otherwise dispose of property, facilities, or equipment on behalf of the district. Requires the sale or other disposal of the property, facilities, or equipment to be at a public sale and at a price and on the terms the board determines are most advantageous to the district. Authorizes the board, rather than the district, to lease all or part of property (rather than buildings), facilities, or equipment on behalf of the district and on terms and conditions the board considers to be in the best interest of the residents of the district. Prohibits the term of a lease from exceeding 25 years from the date entered. Makes nonsubstantive changes. Authorizes the board to donate to another governmental entity or to a charitable organization any surplus personal property or equipment if the donation serves a public purpose and is accompanied by adequate consideration. Deletes language regarding the district being empowered to sell or otherwise dispose of any property or equipment.

Sec. 11. Authorizes the board to lease or acquire property, facilities, and equipment for the use of the district and to mortgage or pledge the property, facilities, or equipment as security for the payment of the purchase price. Deletes language authorizing the district to acquire equipment for use in its hospital system and mortgage or pledge the property for certain purposes.

SECTION 2. Effective date: upon passage or September 1, 2001.