

## **BILL ANALYSIS**

Senate Research Center

H.B. 1094  
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Administration  
5/16/2003  
Engrossed

### **DIGEST AND PURPOSE**

H.B. 1094 Authorizes the Texas Department of Health (TDH) to make certain grants to establish new or expand existing facilities that can qualify as federally qualified health centers and creates a revolving loan program for community health centers.

### **RULEMAKING AUTHORITY**

Rulemaking authority is transferred from the Health and Human Services Commission to the Texas Board of Health in SECTION 2 (Section 112.007, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 31, Health and Safety Code, by adding Section 31.017, as follows:

Sec. 31.017. **FEDERALLY QUALIFIED HEALTH CENTERS.** (a) Authorizes the Texas Department of Health (TDH) to make certain grants to establish new or expand existing facilities that can qualify as federally qualified health centers, as defined by 42 U.S.C. Section 1396d(1)(2)(B), in this state, including certain specifying grants.

(b) Provides that this section expires September 1, 2009.

SECTION 2. Transfers Chapter 136, Human Resources Code, to Subtitle E, Title 2, Health and Safety Code, rennumbers it as Chapter 112, Health and Safety Code, and amends it as follows:

#### **CHAPTER 112. New heading: TEXAS COMMUNITY HEALTH CENTER REVOLVING LOAN PROGRAM**

Sec. 112.001. Redesignated from Section 136.001. Provides for certain legislative findings.

Sec. 112.002. Redesignated from Section 136.002. Deletes existing definitions of "commission" and "fund." Redesignates existing Subdivisions (3) and (5) as (2) and (3).

Deletes existing Section 136.003 titled TRUST FUND.

Sec. 112.003. Redesignated from Section 136.004. Requires TDH, rather than the Health and Human Services Commission, to award a grant, rather than to contract with and award money, to a development corporation to carry out the purposes of this chapter.

Sec. 112.004. Redesignated from Section 136.005.

(a) Requires TDH, before awarding a grant to a development corporation, to establish an investment committee to approve loan requests of community health centers. Makes conforming changes.

(b) and (c) No changes to these subsections.

Sec. 112.005. Redesignated from Section 136.006.

(d) Authorizes the development corporation to make a loan under the program through a partnership or joint investment with one or more other lenders, rather than financial institutions, or federal or state programs.

(e) Requires the development corporation to use the loan payment money received from community health centers to make new loans and cover the expenses of making and servicing loans under this chapter, rather than as provided by this chapter.

(f) Authorizes the development corporation to make a loan to fund a joint project of two or more community health centers.

Deletes existing Section 136.007, relating to self-funding.

Sec. 112.006. Redesignated from Section 136.008.

Sec. 112.007. Redesignated from Section 136.009.

(a) Requires the Texas Board of Health (board), rather than the Health and Human Services Commission, to adopt rules necessary to administer this chapter and to ensure a grant made under this chapter is used for the purposes intended by the legislature. Deletes existing text relating to the commission adopting rules which require certain entities to take certain actions. Makes a conforming change.

(b)-(c) Make conforming changes.

SECTION 3. Requires the board to adopt rules necessary for TDH to administer Chapter 112, Health and Safety Code, as transferred and amended by this Act, not later than December 1, 2003.

SECTION 4. Effective date: September 1, 2003.