

BILL ANALYSIS

Senate Research Center
79R8768 KEL-D

S.B. 960
By: Shapiro
Finance
3/28/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The University of Texas Southwestern Medical Center at Dallas (UT Southwestern) is acquiring and taking on the responsibility of managing two hospitals, which do not generate a profit, in order to enhance medical care provided to Texans.

Although no additional general revenue is being requested, UT Southwestern's current funding levels are at risk because of a "proportionality requirement" described in Article IX, Section 6.11(a) of the General Appropriations Act, which states that payment of salaries and benefits from appropriated funds must be proportional to the source of funds.

As proposed, S.B. 960 exempts hospitals and clinics that receive no appropriation for their operations, but that are owned by a state health-related institution, from the requirements of Article IX, Section 6.11(a), of the General Appropriations Act.

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 Section 51.009, Education Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Requires hospital and clinic fees received by a state-owned clinical care facility that is operated using general revenue fund appropriations to be accounted for as educational and general funds. Makes a conforming change.

(d) Prohibits hospital and clinic fees received by a clinical care facility, other than a facility described by Subsection (c)(2), that is administered by an institution of higher education from being treated as a source of financing from outside general revenue fund appropriations in reference to a requirement in the General Appropriations Act that salaries, wages, and benefits of the employees of the institution be paid in proportion to the source of the funds from which the salary, wages, and benefits are paid.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2005.