

CHAPTER 996

H.B. No. 2030

AN ACT

relating to cash management financing for hospital facilities.

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

SECTION 1. Section 1.03, Health Facilities Development Act (Article 1528j, Vernon's Texas Civil Statutes), is amended by adding Subdivision (15) to read as follows:

(15) *"Cash management" means the borrowing by a corporation on behalf of a user for the purpose of allowing the user to manage the cash flow requirements of the user.*

SECTION 2. Section 4.03, Health Facilities Development Act (Article 1528j, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 4.03. At least 14 days prior to the issuance of bonds by a corporation, such corporation shall file with the governing body of the sponsoring entity on behalf of which such corporation was created a full and complete description of any health facility the cost of which is to be paid in whole or in any part from the proceeds of bonds of the corporation proposed to be issued, including an explanation of the projected costs of and the necessity for such proposed health facility and the name of the proposed user of such health facility; *or if the bonds are to be issued for cash management purposes, the user shall file with the governing body of the sponsoring entity on behalf of which such corporation was created a cash flow forecast based upon the user's most recent anticipated revenue estimate. Such forecast must contain a detailed report of estimated revenues and expenditures for each month for a period of time not exceeding one year.* All of the information deposited or required to be deposited by this section shall be public information open to public inspection.

SECTION 3. Section 4.04(a), Health Facilities Development Act (Article 1528j, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) Each corporation is hereby authorized to issue, sell, and deliver its bonds in accordance with the terms of this Act for the purpose of paying all or any part of the cost of a health facility *or for cash management purposes. Bonds issued for cash management shall mature not more than 24 months from the date of issuance thereof.*

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on May 22, 1987, by the following vote: Yeas 147, Nays 1, 1 present, not voting. Passed by the Senate on May 29, 1987, by the following vote: Yeas 30, Nays 0.

Approved June 19, 1987.

Effective June 19, 1987.