

## CHAPTER 1056

## S.B. No. 462

## AN ACT

relating to the powers and duties of a health facilities development corporation.

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

SECTION 1. Section 4.03, Health Facilities Development Act (Article 1528j, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 4.03. (a) 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.

(b) *After a corporation issues bonds, but before the corporation uses all of the proceeds from the bonds, the corporation may amend the filing required by Subsection (a) of this section and use the proceeds in the manner described in the amended filing if, in the judgment of the governing body of the sponsoring entity, the use of the proceeds in the manner described in the amended filing is in furtherance of the purposes of this Act.*

(c) All of the information deposited or required to be deposited by this section shall be public information open to public inspection.

SECTION 2. Subdivision (5), Section 1.03, Health Facilities Development Act (Article 1528j, Vernon's Annotated Texas Civil Statutes), is amended to read as follows:

(5) "Cost" as applied to a health facility, as herein defined, means and includes any and all costs of such health facility and, without limiting the generality of the foregoing, shall include the following:

(A) the cost of the acquisition of all land, rights-of-way, options to purchase land, easements, leasehold estates in land, and interests of all kinds in land related to such health facility;

(B) the cost of the acquisition, construction, repair, renovation, remodeling, or improvement of all buildings and structures to be used as or in conjunction with such health facility;

(C) the cost of site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing such health facility;

(D) the cost of architectural, engineering, legal, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the feasibility and practicability of such health facility;

(E) the cost of all machinery, equipment, furnishings, and facilities necessary or incident to the equipping of such health facility so that it may be placed in operation;

(F) the cost of financing charges and interest prior to and during construction and for a maximum of two years after completion of construction and the marketing and start-up costs of such health facility prior to and during construction and for a maximum of two years after completion of construction;

(G) any and all costs paid or incurred in connection with the financing of such health facility, including out-of-pocket expenses and compensation described in Subsection (e) of Section 4.04 hereof and further including without limitation the cost of financing, legal, accounting, financial advisory, and appraisal fees, expenses, and disbursements; the cost of any policy or policies of title insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent; [and]

(H) all direct and indirect costs of the corporation, as herein defined, incurred in connection with providing such health facility, including without limitation reasonable sums to reimburse such corporation for time spent by its agents or employees with respect to providing such health facility and the financing thereof; and

*(I) the cost of financing, establishing, and funding a reserve fund or reserve funds for a program of self-insurance and/or risk management and further including, without limitation, the cost of the preparation of studies, surveys, and estimates of cost, revenue, risk, and liability and all other costs and expenses necessary or incident to the planning, providing, or determining the feasibility and practicability and the continuing program and operating costs of such program of self-insurance and/or risk management.*

SECTION 3. 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 the Senate on April 29, 1987, by the following vote: Yeas 29, Nays 0; and that the Senate concurred in House amendments on May 27, 1987, by a viva-voce vote.

Passed the House, with amendments, on May 22, 1987, by a non-record vote.

Approved June 20, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.