

By: Nelson

S.B. No. 464

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the appointment of a management team to manage and  
3 operate a community center for mental health or mental retardation  
4 services.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Sections 534.038(a) and (d), Health and Safety  
7 Code, are amended to read as follows:

8 (a) The commissioner may appoint a manager or management  
9 team to manage and operate a community center if the commissioner  
10 finds that ~~+~~

11 ~~(1)~~ the center or an officer or employee of the  
12 center:

13 (1) ~~(A)~~ intentionally, recklessly, or negligently  
14 failed to discharge the center's duties under a contract with the  
15 department;

16 (2) ~~(B)~~ misused state or federal money;

17 (3) ~~(C)~~ engaged in a fraudulent act, transaction,  
18 practice, or course of business;

19 (4) ~~(D)~~ endangers or may endanger the life, health,  
20 or safety of a person served by the center;

21 (5) ~~(E)~~ failed to keep fiscal records or maintain  
22 proper control over center assets as prescribed by Chapter 783,  
23 Government Code;

24 (6) ~~(F)~~ failed to respond to a deficiency in a

1 review or audit;

2 (7) [~~(G)~~] substantially failed to operate within the  
3 functions and purposes defined in the center's plan; or

4 (8) [~~(H)~~] otherwise substantially failed to comply  
5 with this subchapter or department rules [~~, and~~

6 [~~(2) contract sanctions and intervention with the~~  
7 ~~local board of trustees failed to bring the center into compliance~~  
8 ~~with the center's plan or contract]~~.

9 (d) The center may appeal the commissioner's decision to  
10 appoint a manager or management team as prescribed by board rule.  
11 The filing of a notice of appeal stays the appointment unless the  
12 commissioner determines that immediate intervention is in the  
13 department's best interest [~~based the appointment on a finding~~  
14 ~~under Subsection (a)(1)(D)].~~

15 SECTION 2. Sections 534.040(b) and (c), Health and Safety  
16 Code, are amended to read as follows:

17 (b) The authority of the manager or management team  
18 continues until [~~+~~

19 [~~(1)~~] the commissioner determines that the relevant  
20 factors listed under Section 534.038(a) [~~534.038(a)(1)~~] no longer  
21 apply [~~exist, or~~

22 [~~(2) the department cancels its contract with the~~  
23 ~~center]~~.

24 (c) Following a determination under Subsection (b)  
25 [~~(b)(1)~~], the commissioner shall terminate the authority of the  
26 manager or management team and restore authority to manage and  
27 operate the center to the center's authorized officers and

1 employees.

2           SECTION 3. This Act takes effect immediately if it receives  
3 a vote of two-thirds of all the members elected to each house, as  
4 provided by Section 39, Article III, Texas Constitution. If this  
5 Act does not receive the vote necessary for immediate effect, this  
6 Act takes effect September 1, 2003.