

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 6, 2005**

**TO:** Honorable Suzanna Gratia Hupp, Chair, House Committee on Human Services

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB2188** by Deshotel (Relating to the transfer of certain state property from the Texas Department of Mental Health and Mental Retardation to Spindletop MHMR Services.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2188, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would authorize the Health and Human Services Commission (HHSC), the Department of State Health Services (DSHS), or the Department of Aging and Disability Services (DADS) to transfer to Spindletop MHMR Services all or part of the real property of the former Beaumont State Center not later than May 31, 2006. The state would reserve its oil, gas, and other mineral interests. The property would transfer with restrictions and ownership and would automatically revert to the transferring agency if the property were not used to provide community-based mental health or mental retardation services for more than 180 continuous days.

The bill would take effect immediately if it receives the necessary vote, otherwise the bill would take effect September 1, 2005.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from TEXAS CAPITAL TRUST ACCT 543</b>
2006	(\$4,140,570)
2007	\$0
2008	\$0
2009	\$0
2010	\$0

## **Fiscal Analysis**

The bill could result in a loss of potential General Revenue Dedicated revenue. If the property were sold rather than transferred, the state would earn the value of the property and improvements totaling \$4,140,570.

The bill would not obligate Spindletop MHMR Services for any debt related to the property that was accrued before the transfer. According to DADS and HHSC, debt service on General Obligation bonds was \$394,579, as of January 31, 2005. It is assumed that the state would continue to be responsible for this debt service.

DADS indicates that Spindletop MHMR Services is currently responsible for capital repairs to the property and that rent was waived under the current lease agreement. It is assumed that there would be no fiscal impact related to a loss of revenue from rent or savings on maintenance costs.

## **Methodology**

The potential loss of revenue to the Capital Trust Fund, a General Revenue-Dedicated Account, is assumed to be equal to the appraisal value of the property and improvements, totaling \$4,140,570.

## **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 537 Department of State Health Services, 539 Department of Aging and Disability Services

**LBB Staff:** JOB, CL, KF, SSt