

BILL ANALYSIS

H.B. 1759
By: Deshotel
Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Prior to the 76th legislative session, the Texas Department of Mental Health and Mental Retardation provided mental health and mental retardation services at the Beaumont State Center. Legislation passed in the 76th legislative session contained a provision that authorized the transfer of Beaumont State Center into local governance. As a part of the transfer, the Beaumont State Center facility was leased to Spindletop Mental Health and Mental Retardation Services. Spindletop wanted to establish ownership, but did not have the funds to purchase the former Beaumont State Center.

House Bill 1759 authorizes the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services to transfer certain real property for non-monetary consideration to Spindletop for use as a facility to provide community-based mental health and mental retardation services.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The bill authorizes the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services, as appropriate, and not later than May 31, 2008, to transfer to Spindletop MHMR Services all or part of certain real property, including the improvements affixed to the property and excluding the mineral interest in and under the property. The property consists of the former site of the Beaumont State Center situated primarily at 655 South 8th Street, Beaumont, Texas, comprising three contiguous parcels, an adjacent parcel, and a single parcel in Port Arthur, Texas.

If the above transfer occurs, the transfer does not make Spindletop MHMR Services responsible for any debt accrued by the property before the transfer.

The bill requires that consideration for the transfer shall be in the form of an agreement between the parties. The agreement requires Spindletop MHMR Services to use the property in a manner that primarily promotes a public purpose of the state by providing community-based mental health or mental retardation services. The bill requires that if Spindletop MHMR Services fails to use the property in that manner for more than 180 continuous days, ownership of the property automatically reverts to the entity that transferred the property to Spindletop MHMR Services.

The bill provides that any restrictive conditions imposed by a deed transferring the property to the state recorded in the real property records of Jefferson County are binding on the property transaction authorized by the bill.

The bill requires that the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services, as appropriate, transfer the property by deed without warranties regarding covenants of title. The instrument of transfer must include provisions that indicate that any restrictive conditions imposed by a deed transferring the property to the state recorded in the real property records of Jefferson County are binding on the

property transaction; require Spindletop MHMR Services to use in the property in a manner that primarily promotes a public purpose of the state by using the property to provide community-based mental health or mental retardation services; and indicate that ownership of the property automatically reverts to the entity that transferred the property to Spindletop MHMR Services if Spindletop MHMR Services fails to use the property the above manner for more than 180 continuous days.

The bill provides that the state reserves its rights to and interest in all oil, gas and other minerals in and under the real property.

EFFECTIVE DATE

Upon passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.