

BILL ANALYSIS

Senate Research Center
81R14346 YDB-D

H.B. 2972
By: Coleman (Van de Putte)
Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Applicants for any assisted living license or license renewal and managers of assisted living facilities are required to provide personal information, which may include the address, telephone number, driver's license number, and Social Security number of an individual who the law designates as a "controlling person." However, the definition of a "controlling person" is extremely broad and may include any entity that lends money to, or owns more than a five percent equity interest in, another entity or the parent entity of that entity applying for an assisted living facility license. Reporting this information is impossible for a publicly traded company in which stock is traded by individuals and large investment companies on a daily basis or that borrows funds from national lending institutions. This is delaying the assisted living facility license application process and monopolizing the resources of the Department of Aging and Disability Services for extended periods.

H.B. 2972 relates to the definition of a controlling person with respect to the operation of certain assisted living facilities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 247.005, Health and Safety Code, by adding Subsection (b-1), as follows:

(b-1) Provides that a controlling person of an assisted living facility or of a management company or other business entity described by Subsection (b)(1) (relating to the definition of a "controlling person") that is a publicly traded corporation or is controlled by a publicly traded corporation, notwithstanding any other provision of this section, for purposes of this chapter, means an officer or director of the corporation. Provides that the term does not include a shareholder or lender of the publicly traded corporation.

SECTION 2. Effective date: September 1, 2009.