

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: HB1884 by Pena (Relating to authorizing the conveyance of certain state real property from the Department of State Health Services to Hidalgo County for the operation of a primary care and substance abuse treatment facility.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill authorizes the transfer of certain state real property from the Department of State Health Services (DSHS) to Hidalgo County for the operation of a primary care and substance abuse treatment facility, including improvements affixed to the property and excluding the mineral interest in and under the property, no later than May 31, 2010.

According to DSHS, the property referenced in the bill was originally donated from Hidalgo County and transferred to DSHS, and in turn transferred to the Texas Facilities Commission (TFC). According to DSHS, these transfers were required before TFC could contract for construction of the primary care and substance abuse facility; TFC is restricted to only building state-funded facilities on state land. TFC will transfer the land and facility, which was funded through a rider appropriation by the 80th Legislature, back to DSHS after completion of the construction.

The transfer of this property back to Hidalgo County would preclude sale of the property by the state and result in a loss of sales revenue that would have otherwise accrued to the state.

Also, according to DSHS the construction of the facility will most likely not be complete by May 31, 2010, the transfer date specified in the bill. The bill as written, given the aforementioned building restrictions, could result in non-completion of the project.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 537 State Health Services, Department of
LBB Staff: JOB, CL, JF, LR