

## **BILL ANALYSIS**

Senate Research Center  
82R4724 PMO-F

H.B. 2258  
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Health & Human Services  
5/5/2011  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Recent legislation authorized the transfer of real property from the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services to Spindletop Mental Health and Mental Retardation Services. Interested parties are concerned that the property is not being used to its full potential. H.B. 2258 is intended to address these concerns while ensuring that the property is used to provide health care services for the community.

H.B. 2258 amends current law relating to the use and transferability of certain state property transferred from the state to Spindletop MHMR Services.

### **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 1, Chapter 1036 (H.B. 1759), Acts of the 80th Legislature, Regular Session, 2007, by amending Subsection (c) and adding Subsections (f-2), (f-3), (f-4), and (f-5), as follows:

(c) Requires that an agreement under this subsection that is amended or supplemented by addendum under Subsection (f-1) (relating to authorizing the parties to amend or supplement the agreement to require Spindletop Mental Health and Mental Retardation (MHMR) Services to perform certain actions) of this section to require Spindletop MHMR Services to use the property in a manner that primarily promotes a public purpose of the state by using the property to provide community-based physical health, health-related, mental health, or mental retardation services or under Subsection (f-2) of this section to authorize a transfer or lease of the property meet certain criteria.

(f-2) Authorizes the parties, after a transfer of real property under Subsection (a) (relating to authorizing the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services, as appropriate, to transfer to Spindletop MHMR Services all or part of the real property) of this section takes effect, to by addendum amend or supplement the agreement under Subsection (c) to authorize:

(1) in exchange for payment of the fair market value of the property or of any portion of the property to be transferred under this subdivision, as determined by an independent appraiser, a transfer of the property or portion of the property, in one or more transactions, to an entity or organization that:

(A) is listed under Section 501(c)(3), Internal Revenue Code of 1986;

(B) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986; and

(C) primarily provides health care services; or

(2) in exchange for payment of the fair market lease value of the property or of any portion of the property to be leased under this subdivision, as determined by an independent appraiser, a lease of the property or portion of the property in one or more transactions.

(f-3) Requires Spindletop MHMR Services to retain a payment resulting from a transaction under Subsection (f-2) and use the money only in a manner that primarily promotes a public purpose of the state by providing community-based physical health, health-related, mental health, or mental retardation services.

(f-4) Authorizes Spindletop MHMR Services, if the lease described under Subsection (f-2)(2) is for a term of 20 years or more, to lease the property only to an entity or organization that:

(1) is listed under Section 501(c)(3), Internal Revenue Code of 1986;

(2) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986; and

(3) primarily provides health care services.

(f-5) Requires that a conveyance of property under Subsection (f-2)(1) or (2) to an entity or organization be conditioned on an obligation that the property be used in a manner that primarily promotes a public purpose of the state by providing community-based physical health, health-related, mental health, or mental retardation services. Requires that the conveyance provide that ownership of the property automatically reverts to the state on the date that the entity or organization fails to use the property in a manner that primarily promotes a public purpose of the state by providing community-based physical health, health-related, mental health, or mental retardation services.

SECTION 2. Effective date: upon passage or September 1, 2011.