

BILL ANALYSIS

H.B. 2258
By: Deshotel
Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

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 fullest potential. H.B. 2258 is intended to address these concerns while ensuring that the property is used to provide health care services to the community.

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

H.B. 2258 amends Section 1, Chapter 1036 (H.B. 1759), Acts of the 80th Legislature, Regular Session, 2007, to authorize the parties involved in the transfer of certain real property from the Health and Human Services Commission, the Department of State Health Services, or the Department of Aging and Disability Services, as appropriate, to Spindletop MHMR Services to by addendum amend or supplement the agreement after the transfer takes effect to authorize, in one or more transactions and in exchange for payment of the fair market value of the property or of any portion of the property as determined by an independent appraiser, a transfer of the property or a portion of the property to a charitable organization exempted under the federal Internal Revenue Code of 1986 that primarily provides health care services. The bill authorizes the parties to by addendum amend or supplement such an agreement after the transfer takes effect to authorize, in one or more transactions and in exchange for payment of the fair market lease value of the property or of any portion of the property to be leased as determined by an independent appraiser, a lease of the property or portion of the property.

H.B. 2258 requires Spindletop MHMR Services to retain a payment resulting from such a transfer or lease of property and to 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. The bill authorizes Spindletop MHMR Services to lease property only to a charitable organization exempted under the federal Internal Revenue Code of 1986 that primarily provides health care services, if the lease is for a term of 20 years or more. The bill requires a conveyance of property to an entity or organization under the bill's provisions to 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 and requires the conveyance to 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 such health services. The bill makes a conforming change.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.