By: Deshotel

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H.B. No. 2258

## A BILL TO BE ENTITLED

## AN ACT

2 relating to the use and transferability of certain state property 3 transferred from the state to Spindletop MHMR Services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 1, Chapter 1036 (H.B. 1759), Acts of the 6 80th Legislature, Regular Session, 2007, is amended by amending 7 Subsection (c) and adding Subsections (f-2), (f-3), (f-4), and 8 (f-5) to read as follows:

(c) Consideration for the transfer authorized by Subsection 9 10 (a) of this section shall be in the form of an agreement between the parties that requires Spindletop MHMR Services to use the property 11 12 in a manner that primarily promotes a public purpose of the state by using the property to provide community-based mental health or 13 14 mental retardation services. An agreement under this subsection that is amended or supplemented by addendum under Subsection (f-1) 15 16 of this section to require Spindletop MHMR Services to use the property in a manner that primarily promotes a public purpose of the 17 state by using the property to provide community-based physical 18 health, health-related, mental health, or mental retardation 19 services or under Subsection (f-2) of this section to authorize a 20 transfer or lease of the property must be: 21

22 (1) executed by the parties; and

23 (2) recorded in the real property records of Jefferson24 County, Texas.

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1 (f-2) After a transfer of real property under Subsection (a) 2 of this section takes effect, the parties may by addendum amend or 3 supplement the agreement under Subsection (c) to authorize: 4 (1) in exchange for payment of the fair market value of 5 the property or of any portion of the property to be transferred under this subdivision, as determined by an independent appraiser, 6 7 a transfer of the property or portion of the property, in one or 8 more transactions, to an entity or organization that: (A) is listed under Section 501(c)(3), Internal 9 10 Revenue Code of 1986; (B) is exempt from federal income taxation under 11 12 Section 501(a), Internal Revenue Code of 1986; and (C) primarily provides health care services; or 13 14 (2) in exchange for payment of the fair market lease 15 value of the property or of any portion of the property to be leased under this subdivision, as determined by an independent appraiser, 16 17 a lease of the property or portion of the property in one or more 18 transactions. 19 (f-3) Spindletop MHMR Services shall retain a payment resulting from a transaction under Subsection (f-2) and use the 20 money only in a manner that primarily promotes a public purpose of 21 the state by providing community-based physical health, 22 health-related, mental health, or mental retardation services. 23 24 (f-4) If the lease described under Subsection (f-2)(2) is for a term of 20 years or more, Spindletop MHMR Services may lease 25 26 the property only to an entity or organization that: 27 (1) is listed under Section 501(c)(3), Internal

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## 1 Revenue Code of 1986;

2 (2) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986; and 3 4 (3) primarily provides health care services. 5 (f-5) A conveyance of property under Subsection (f-2)(1) or 6 (2) to an entity or organization must be conditioned on an 7 obligation that the property be used in a manner that primarily 8 promotes a public purpose of the state by providing community-based physical health, health-related, mental health, or mental 9 retardation services. The conveyance must provide that ownership 10 of the property automatically reverts to the state on the date that 11 12 the entity or organization fails to use the property in a manner that primarily promotes a public purpose of the state by providing 13 community-based physical health, health-related, mental health, or 14 15 mental retardation services.

16 SECTION 2. This Act takes effect immediately if it receives 17 a vote of two-thirds of all the members elected to each house, as 18 provided by Section 39, Article III, Texas Constitution. If this 19 Act does not receive the vote necessary for immediate effect, this 20 Act takes effect September 1, 2011.

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