

1-1 By: Deshotel (Senate Sponsor - Williams) H.B. No. 2258
1-2 (In the Senate - Received from the House April 11, 2011;
1-3 April 26, 2011, read first time and referred to Committee on Health
1-4 and Human Services; May 11, 2011, reported favorably by the
1-5 following vote: Yeas 8, Nays 0; May 11, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the use and transferability of certain state property
1-9 transferred from the state to Spindletop MHMR Services.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 1, Chapter 1036 (H.B. 1759), Acts of the
1-12 80th Legislature, Regular Session, 2007, is amended by amending
1-13 Subsection (c) and adding Subsections (f-2), (f-3), (f-4), and
1-14 (f-5) to read as follows:

1-15 (c) Consideration for the transfer authorized by Subsection
1-16 (a) of this section shall be in the form of an agreement between the
1-17 parties that requires Spindletop MHMR Services to use the property
1-18 in a manner that primarily promotes a public purpose of the state by
1-19 using the property to provide community-based mental health or
1-20 mental retardation services. An agreement under this subsection
1-21 that is amended or supplemented by addendum under Subsection (f-1)
1-22 of this section to require Spindletop MHMR Services to use the
1-23 property in a manner that primarily promotes a public purpose of the
1-24 state by using the property to provide community-based physical
1-25 health, health-related, mental health, or mental retardation
1-26 services or under Subsection (f-2) of this section to authorize a
1-27 transfer or lease of the property must be:

1-28 (1) executed by the parties; and
1-29 (2) recorded in the real property records of Jefferson
1-30 County, Texas.

1-31 (f-2) After a transfer of real property under Subsection (a)
1-32 of this section takes effect, the parties may by addendum amend or
1-33 supplement the agreement under Subsection (c) to authorize:

1-34 (1) in exchange for payment of the fair market value of
1-35 the property or of any portion of the property to be transferred
1-36 under this subdivision, as determined by an independent appraiser,
1-37 a transfer of the property or portion of the property, in one or
1-38 more transactions, to an entity or organization that:

1-39 (A) is listed under Section 501(c)(3), Internal
1-40 Revenue Code of 1986;

1-41 (B) is exempt from federal income taxation under
1-42 Section 501(a), Internal Revenue Code of 1986; and

1-43 (C) primarily provides health care services; or

1-44 (2) in exchange for payment of the fair market lease
1-45 value of the property or of any portion of the property to be leased
1-46 under this subdivision, as determined by an independent appraiser,
1-47 a lease of the property or portion of the property in one or more
1-48 transactions.

1-49 (f-3) Spindletop MHMR Services shall retain a payment
1-50 resulting from a transaction under Subsection (f-2) and use the
1-51 money only in a manner that primarily promotes a public purpose of
1-52 the state by providing community-based physical health,
1-53 health-related, mental health, or mental retardation services.

1-54 (f-4) If the lease described under Subsection (f-2)(2) is
1-55 for a term of 20 years or more, Spindletop MHMR Services may lease
1-56 the property only to an entity or organization that:

1-57 (1) is listed under Section 501(c)(3), Internal
1-58 Revenue Code of 1986;

1-59 (2) is exempt from federal income taxation under
1-60 Section 501(a), Internal Revenue Code of 1986; and

1-61 (3) primarily provides health care services.

1-62 (f-5) A conveyance of property under Subsection (f-2)(1) or
1-63 (2) to an entity or organization must be conditioned on an
1-64 obligation that the property be used in a manner that primarily

2-1 promotes a public purpose of the state by providing community-based
2-2 physical health, health-related, mental health, or mental
2-3 retardation services. The conveyance must provide that ownership
2-4 of the property automatically reverts to the state on the date that
2-5 the entity or organization fails to use the property in a manner
2-6 that primarily promotes a public purpose of the state by providing
2-7 community-based physical health, health-related, mental health, or
2-8 mental retardation services.

2-9 SECTION 2. This Act takes effect immediately if it receives
2-10 a vote of two-thirds of all the members elected to each house, as
2-11 provided by Section 39, Article III, Texas Constitution. If this
2-12 Act does not receive the vote necessary for immediate effect, this
2-13 Act takes effect September 1, 2011.

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