

## **BILL ANALYSIS**

Senate Research Center

S.B. 2446  
By: Sparks  
Health & Human Services  
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As Filed

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

The Texas Health and Human Services Commission contracts with 37 local mental health authorities (LMHA) to deliver mental health services to Texans. Each LMHA provides services to specific regions in the state. LMHAs receive funding from the federal, state, and local level. Additionally, LMHAs must submit numerous financial reports and be subject to financial and performance audits. Despite this, concerns have been raised about the practices of an LMHA in West Texas. A member of the governing board for the respective LMHA has stated they were denied access to expenditure reports and financial information of the LMHA. Additionally, there is an LMHA in Texas that uses public resources to engage in diversity, equity, and inclusion (DEI) practices. This includes employing a "Chief Equity Officer," operating a committee on racial equity, and implementing DEI hiring and training practices. Federal and state orders have pushed for the end of taxpayer-funded DEI practices.

S.B. 2446 amends the Health and Safety Code to require an LMHA to provide an electronic monthly expense report to members of the governing board for the LMHA. Additionally, S.B. 2446 requires a LMHA to have a governing board, prohibits—in statute—an employee of the LMHA from serving on the governing board, creates a public member for the LMHA governing board who has business experience and has not served in elected office, creates an alternative pathway for a sheriff to serve as a voting member of the governing board, and prohibits DEI practices in LMHAs.

As proposed, S.B. 2446 amends current law relating to the governance of local mental health authorities and the composition of the governing bodies of local mental health authorities.

### **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 533.035, Health and Safety Code, by adding Subsection (f), as follows:

(f) Requires a local mental health authority to make available a monthly expense report in an electronic format, detailing every expenditure as reasonably practical by the local mental health authority, to each member of the governing body, including ex officio nonvoting members.

SECTION 2. Amends the heading to Section 533.0351, Health and Safety Code, to read as follows:

Sec. 533.0351. REQUIRED COMPOSITION AND GOVERNANCE OF LOCAL MENTAL HEALTH AUTHORITY GOVERNING BODY.

SECTION 3. Amends Section 533.0351, Health and Safety Code, by amending Subsections (a), (b), (c), and (c-1) and adding Subsections (a-1), (a-2), and (c-2), as follows:

(a) Requires each local mental health authority to have a governing body.

(a-1) Creates this subsection from existing text. Requires the governing body to include certain individuals. Deletes existing text requiring a governing body, if a local mental health authority has a governing body, to include certain individuals.

(a-2) Requires at least one member of the governing board to be a member of the public, have experience owning or operating a private business, and not have served in elected office.

(b) Requires a local mental health authority that serves two or more counties, in selecting sheriffs to serve as members under Subsection (a-1)(2) (relating to requiring a governing body to include two sheriffs as ex officio nonvoting members for a local authority that services two or more counties), to take the median population size of each of those counties and choose sheriffs for counties meeting certain criteria.

(c) Authorizes a sheriff who is made a member of a governing body in accordance with this section to designate a representative to serve as a member of the body in the sheriff's place as an ex officio nonvoting member under Subsection (a). Provides that, except as provided by Subsection (c-1), a sheriff or the designated representative of the sheriff serves as an ex officio nonvoting member under Subsection (a) for the duration of the applicable sheriff's term in office.

(c-1) Authorizes a local mental health authority to rotate the positions of sheriffs who serve as ex officio nonvoting members chosen in accordance with Subsection (b) among the other sheriffs of the counties served by the local authority. Makes conforming and nonsubstantive changes.

(c-2) Requires a local mental health authority to allow a sheriff selected under this section to be a voting member of the governing board upon request of the sheriff, pursuant to the sheriff agreeing to comply with all standards and rules applicable to voting board members.

(c-3) Prohibits a person employed by a local mental health authority from serving as a member of the authority's governing body.

SECTION 4. Amends Subchapter B, Chapter 533, Health and Safety Code, by adding Section 533.0355, as follows:

Sec. 533.0355. PROHIBITION ON DIVERSITY, EQUITY, AND INCLUSION INITIATIVES IN LOCAL MENTAL HEALTH AUTHORITIES. (a) Defines "diversity, equity, and inclusion initiative" and "identity classification."

(b) Prohibits a local mental health authority, except to the extent required by federal law, from:

(1) formulating, promoting, or implementing a diversity, equity, and inclusion initiative; or

(2) giving preference on the basis of an identity classification to an applicant for employment, an employee, or a participant in any function of the local mental health authority.

SECTION 5. Repealer: Section 533.0351(e) (relating to requiring a mental health authority to take certain actions if it does not have a governing body), Health and Safety Code.

SECTION 6. Effective date: September 1, 2025.