

## **BILL ANALYSIS**

Senate Research Center  
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C.S.H.B. 243  
By: Menéndez (Uresti)  
Health & Human Services  
5/7/2013  
Committee Report (Substituted)

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

While certain community centers currently have the authority to purchase real property, the law is unclear as to whether these community centers also have the authority to dispose of or sell real property. C.S.H.B. 243 seeks to clarify this issue by authorizing these community centers to sell certain real property under specified conditions.

C.S.H.B. 243 amends current law relating to the authority of a community center that provides mental health or mental retardation services to sell certain real property of the center.

[**Note:** While the statutory reference in this bill is to the Texas Department of Mental Health and Mental Retardation (TXMHMR), the following amendments affect the Department of State Health Services, as the successor agency to TXMHMR.]

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Board of Mental Health and Mental Retardation [executive commissioner of the Health and Human Services Commission] in SECTION 1 (Section 534.023, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 534, Health and Safety Code, by adding Section 534.023, as follows:

Sec. 534.023. SALE OF REAL PROPERTY ACQUIRED SOLELY THROUGH PRIVATE GIFT OR GRANT. (a) Authorizes a community center, except as provided by Subsection (d), to sell center real property, including a building, without the approval of the Texas Department of Mental Health and Mental Retardation (TXMHMR) or any municipality, county, hospital district, rehabilitation district, school district, state-supported institution of higher education, or state-supported medical school or any organizational combination of two or more of those entities (local agency) that appoints members to the board of trustees, only if the real property was acquired solely through a gift or grant of money or real property from a private entity, including an individual.

(b) Requires a community center that acquires real property by gift or grant, on the date the center acquires the gift or grant, to notify the private entity providing the gift or grant that:

(1) the center is authorized to subsequently sell the real property; and

(2) the sale is subject to the provisions of this section.

(c) Requires that real property sold under Subsection (a), except as provided by Subsection (d), be sold for the property's fair market value.

(d) Authorizes real property to be sold under Subsection (a) for less than fair market value only if the board of trustees adopts a resolution stating the public

purpose that will be achieved by the sale and the conditions and circumstances for the sale, including conditions to accomplish and maintain the public purpose.

(e) Requires a community center to notify TXMHMR and each local agency that appoints members to the board of trustees not later than the 31st day before the date the center enters into a binding obligation to sell real property under this section. Authorizes the commissioner of mental health and mental retardation, on request, to waive the 30-day notice requirement on a case-by-case basis.

(f) Requires the Texas Board of Mental Health and Mental Retardation to adopt rules relating to the notification process.

(g) Authorizes a community center to use proceeds received from a sale of real property under this section only for a purpose authorized by this subchapter (Community Centers) or for a public purpose authorized for a community center by state or federal law.

SECTION 2. Effective date: upon passage or September 1, 2013.