

## **BILL ANALYSIS**

S.B. 633  
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Public Health  
Committee Report (Amended)

### **BACKGROUND AND PURPOSE**

It has been noted that local mental health authorities are required to plan, develop, and coordinate local policy, resources, and services for mental health care, but there are concerns that broader regional planning and collaboration among such authorities is lacking. There are also concerns that many local mental health authorities have had difficulty building capacity and establishing successful contracts for services, especially in rural regions. S.B. 633 seeks to address these challenges by requiring the Health and Human Services Commission to group local mental health authorities in certain counties into regional groups and to develop a plan for each group that will increase the capacity of the authorities in the group to provide access to needed services.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **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**

S.B. 633 amends the Government Code to require the Health and Human Services Commission (HHSC), using existing resources and not later than January 1, 2020, to take the following actions:

- identify each local mental health authority that is located in a county with a population of 250,000 or less or that HHSC determines provides services predominantly in such a county;
- assign those identified authorities to regional groups of at least two authorities in a manner that HHSC determines will best achieve certain reductions as described by the bill; and
- notify each identified authority of the HHSC identification and of its assigned local mental health authority group.

S.B. 633 requires HHSC, using existing resources, to develop a mental health services development plan for each local mental health authority group that will increase the capacity of the authorities in the group to provide access to needed services. The bill requires HHSC, in developing the plan, to assess that capacity and to focus on reducing the following:

- the cost to local governments of providing services to persons experiencing a mental health crisis;

- the transportation of persons served by an authority in the group to mental health facilities;
- the incarceration of persons with mental illness in county jails that are located in an area served by an authority in the group; and
- the number of hospital emergency room visits by persons with mental illness at hospitals located in an area served by an authority in the group.

S.B. 633 requires the group and HHSC, for purposes of plan development, to evaluate certain specified factors regarding the offset of certain costs to the state or local governmental entities, the sources of plan funding, and the measures necessary to align the plan with the statewide behavioral health strategic plan and the comprehensive inpatient mental health plan. The bill requires HHSC, in collaboration with the group, to determine in each plan a method of increasing the capacity of the authorities in the group to provide access to needed services.

S.B. 633 requires HHSC to compile and evaluate each plan and to determine the cost-effectiveness of each plan and how each plan would improve the delivery of mental health treatment and care to residents in the service areas of the authorities in the group. The bill requires HHSC, using existing resources and not later than December 1, 2020, to produce and publish on its website a report containing HHSC's evaluation of each plan, each plan evaluated by HHSC, and a comprehensive statewide analysis of mental health services in the applicable counties, including recommendations to the legislature for implementing the plans. The bill authorizes HHSC and the authorities in each group to implement a plan evaluated by HHSC if HHSC and the applicable group identify a method of funding that implementation. The bill's provisions expire September 1, 2021.

S.B. 633 establishes that HHSC is required to implement a provision of the bill only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purposes, HHSC may, but is not required to, implement a provision of the bill using other appropriations available for that purpose.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

### **EXPLANATION OF AMENDMENTS**

#### **Committee Amendment No. 1**

Committee Amendment No. 1 amends the Special District Local Laws Code to authorize the Midland County Hospital District of Midland County, Texas, to adopt, change the rate of, or abolish a sales and use tax at an election held in the district and to use revenue from the tax for any purpose of the district authorized by law. The amendment prohibits the district from adopting a sales and use tax or increasing the rate of the tax if as a result of the adoption of the tax or the tax increase the combined rate of all sales and use taxes imposed by the district and all other political subdivisions of the state having territory in the district would exceed two percent in any location in the district. The amendment makes the County Sales and Use Tax Act applicable to a district sales and use tax in the same manner as that act applies to the tax authorized by the act, except to the extent that a provision of the amendment applies.

Committee Amendment No. 1 authorizes the district to impose a sales and use tax in increments of one-eighth of one percent, with a minimum rate of one-eighth of one percent and a maximum rate of two percent, and to increase the rate of the tax to a maximum of two percent or decrease the rate of the tax to a minimum of one-eighth of one percent if the change is approved by a majority of the voters of the district at an election called for that purpose. The amendment establishes that an election to adopt, change the rate of, or abolish a district sales and use tax is

called by the adoption of an order of the district's board of directors. The amendment authorizes the board to call an election on its own motion and requires the board to call an election if a number of qualified voters in the district equal to at least five percent of the number of registered voters in the district petition the board to call the election. The amendment establishes that the adoption, change in the rate of, or abolition of a tax under the amendment's provisions relating to sales and use tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete calendar quarter occurring after the date on which the comptroller of public accounts receives notice of the results of an election to adopt, change the rate of, or abolish the tax. If the comptroller determines that an effective date will occur before the comptroller can reasonably take the action required to begin collecting the tax or to implement the change in the rate of the tax or the abolition of the tax, the effective date may be extended by the comptroller until the first day of the next calendar quarter.

Committee Amendment No. 1 establishes that if the district is included within the boundaries of another taxing authority, defined by the amendment as any entity authorized to impose a local sales and use tax, and the adoption or increase in the rate of a district sales and use tax would result in a combined tax rate by the district and other political subdivisions of the state of more than two percent at any location in the district, an election to approve or increase the rate of the tax has no effect unless one or more of the other taxing authorities holds an election in accordance with the law governing that authority on the same date as the district election to reduce the tax rate of that authority to a rate that will result in a combined tax rate by the district and other political subdivisions of not more than two percent at any location in the district and the combined tax rate is reduced to not more than two percent as a result of that election. These provisions of the amendment expressly do not permit a taxing authority to impose taxes at differential tax rates within the territory of the authority.

Committee Amendment No. 1 amends the Tax Code to exclude the district's sales and use tax from the definition of "additional sales and use tax" applicable to property tax assessment provisions.