

1 AN ACT

2 relating to escrow fees required for the construction and leasing
3 of certain health facilities.

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

5 SECTION 1. Subchapter D, Chapter 246, Health and Safety
6 Code, is amended by adding Sections 246.0735 and 246.0736 to read as
7 follows:

8 Sec. 246.0735. PHASE-IN FACILITIES. The commissioner may
9 create requirements for escrow release different from those under
10 Section 246.073 for facilities that obtain a certificate of
11 authority issued under this subchapter before the commencement of
12 facility construction. A facility that meets the commissioner's
13 requirements under this section is not required to satisfy Section
14 246.073.

15 Sec. 246.0736. CONTINUING RELEASE OF ESCROW. (a) After the
16 initial release of an entrance fee by an escrow agent for a specific
17 facility, the commissioner shall authorize an escrow agent to
18 continue to release escrowed entrance fees for that facility to the
19 provider without further proof of satisfying the requirements of
20 Section 246.073 if:

21 (1) the provider provides a monthly report to the
22 department on marketing activities for living units of the
23 facility; and

24 (2) the provider immediately informs the department of

1 any problems, issues, or irregularities encountered in its
2 marketing activities for the facility.

3 (b) If the provider fails to meet the requirements of
4 Subsection (a), the commissioner may require the provider to
5 satisfy the requirements of Section 246.073 before the commissioner
6 authorizes the escrow agent to continue releasing escrowed entrance
7 fees to the provider.

8 (c) The commissioner shall adopt rules to implement this
9 section.

10 SECTION 2. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2007.

David Dewhurst

President of the Senate

Jim Caddick

Speaker of the House

I certify that H.B. No. 2392 was passed by the House on May 8, 2007, by the following vote: Yeas 146, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2392 on May 25, 2007, by the following vote: Yeas 141, Nays 0, 1 present, not voting.

Robert Henney
Chief Clerk of the House

I certify that H.B. No. 2392 was passed by the Senate, with amendments, on May 23, 2007, by the following vote: Yeas 31, Nays 0.

Antony Grew
Secretary of the Senate

APPROVED: 15 JUN 07

Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
8 PM O'CLOCK

Roger Williams
Secretary of State