## **BILL ANALYSIS**

Senate Research Center 77R1561 MCK-D

S.B. 223 By: Carona State Affairs 1/30/2001 As Filed

## **DIGEST AND PURPOSE**

Currently, Texas' system for identifying and disposing of surplus state property and federal property it receives is rather inefficient and costly. As proposed, S.B. 223 streamlines the state's procedures for identifying and disposing of surplus property in order to reduce the time required to move property through the system.

## **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 2175.121, Government Code, to require a state agency that determines it has surplus or salvage property to inform the comptroller as well as the General Services Commission (commission) of the property's kind, number, location, condition, original cost or value, and date of acquisition.

SECTION 2. Amends Chapter 2175C, Government Code, by adding Section 2175.1215 as follows:

Sec. 2175.1215. ADVERTISING ON THE COMPTROLLER WEB SITE. Requires the comptroller to advertise the property's kind, number, location, and condition on the comptroller's web site not later than the second day after the date the comptroller receives notice from a state agency that the agency has surplus or salvage property.

SECTION 3. Amends section 2175.122, Government Code, to require the commission to inform other state agencies, political subdivisions, and assistance organizations of the comptroller's web site that lists surplus and salvage property that is available for sale, rather than the commission receiving notice of surplus or salvage property and specifically informing certain entities of the property's kind, number, location, and condition.

SECTION 4. Amends Section 2175.123, Government Code, to authorize certain entities to coordinate directly with the reporting state agency for a transfer of the property during the 10 business days after the date the property is posted on the comptroller's web site, rather than 30 days after the date the property is posted on the comptroller's web site.

SECTION 5. Amends Section 2175.124, Government Code, as follows:

Sec. 2175.124. New heading: NOTICE OF TRANSFER TO COMPTROLLER; ADJUSTMENT OF APPROPRIATIONS AND PROPERTY ACCOUNTING RECORDS; REMOVAL FROM WEB SITE. Requires that, if property is transferred under this subchapter, the participating entities report the transaction to the comptroller. Requires that the comptroller remove the property from the list of surplus and salvage property for sale on the comptroller's web site not later than the second day after the date the comptroller receives

notice of the transfer of said property. Makes conforming changes.

SECTION 6. Amends Section 2175.125, Government Code, to make conforming changes.

SECTION 7. Amends Chapter 2175D, Government Code, by adding Section 2175.181, as follows:

Sec. 2175.181. SALE USING INTERNET AUCTION. Requires the commission, if a disposition of a state agency's surplus or salvage property is not made under Subchapter C, to sell the property using an Internet auction site and post the property on the Internet for at least 10 days. Authorizes the commission to set a minimum sales price for the property.

Redesignates existing Section 2175.181 to Section 2175.182. DISPOSITION BY COMPETITIVE BIDDING OR AUCTION. Authorizes the commission, if a disposition of a state agency's surplus or salvage property is not made under Subchapter C or under Section 2175.181, to sell the property by competitive bid or auction or destroy the property as provided by Subchapter E, rather than delegate to the state agency authority to sell the property by competitive bidding.

Redesignates existing Section 2175.182 to Section 2175.183. PURCHASER'S FEE.

Redesignates existing Section 2175.183 to Section 2175.184. ADVERTISEMENT OF SALE. Makes conforming changes.

Redesignates existing Section 2175.184 to Section 2175.185. REPORTING SALE; PROPERTY ACCOUNTING ADJUSTMENT.

Redesignates existing Section 2175.185 to Section 2175.186. PROCEEDS OF SALE. Makes conforming changes.

Redesignates existing Section 2175.186 to Section 2175.187. PURCHASER'S TITLE.

SECTION 8. Amends Chapter 2175G, Government Code, by adding Section 2175.373, as follows:

Sec. 2175.373. STATE AGENCY PROPERTY NEEDS. Requires the commission to create a list of property needed by state agencies authorized to be acquired through the federal surplus property program.

SECTION 9. Effective date: September 1, 2001.