

BILL ANALYSIS

Senate Research Center

H.B. 82
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Government Organization
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Engrossed

DIGEST AND PURPOSE

Current state law requires the State Aircraft Pooling Board (SAPB) to operate on a cost-recovery basis, recovering direct costs through charges on its users. These charges, however, do not include several important business costs, including capital expenditures for new aircraft, building expenses, custodial services, and other general support. The agency charges hourly rates based on the aircraft and the requesting entity involved. SAPB pilots are underused and fly only about half the hours of comparable charter service pilots. H.B. 82 abolishes the State Aircraft Pooling Board (SAPB) and transfers the maintenance functions of the agency to the Texas Department of Public Safety (DPS).

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 the heading to Chapter 2205, Government Code, to read as follows:

CHAPTER 2205. STATE-OPERATED AIRCRAFT

SECTION 2. Amends Subchapter B, Chapter 2205, Government Code, by adding Section 2205.0315, as follows:

Sec. 2205.0315. DEFINITION. Defines "department."

SECTION 3. Amends Section 2205.032, Government Code, as follows:

Sec. 2205.032. New heading: TRANSPORTATION AND MAINTENANCE. (a) Requires the Department of Public Safety (DPS) to maintain all aircraft owned or leased by the state. Deletes text requiring the State Aircraft Pooling Board (SAPB) to operate a pool for the custody, control, operation, and maintenance of all aircraft owned or leased by the state.

(b) Authorizes DPS to provide aircraft transportation under Section 2205.036. Deletes text authorizing SAPB to purchase aircraft with funds appropriated for that purpose.

(c) Deletes Subsection (c), requiring SAPB to develop and submit a strategic plan under Chapter 2056.

SECTION 4. Amends Section 2205.034, Government Code, to make conforming changes.

SECTION 5. Amends Section 2205.036, Government Code, as follows:

(a) Authorizes DPS, rather than requires SAPB, to provide aircraft transportation, to the

extent that its aircraft are available, to certain persons.

(b) Makes conforming changes.

(c) Makes conforming changes.

(d) Requires DPS to monitor and ensure compliance with the requirements of this section.

SECTION 6. Amends Subchapter B, Chapter 2205, Government Code, by adding Section 2205.0365, as follows:

Sec. 2205.0365. **CONTRACTS.** (a) Authorizes DPS to negotiate contracts with private charter aircraft providers to obtain the most cost-effective rates possible for transportation of state officers and employees traveling on official business.

(b) Authorizes DPS to contract with a flight safety consultant in developing safety guidelines for charter aircraft providers.

(c) Authorizes a contract described by Subsection (a) to include certain provisions.

SECTION 7. Amends Section 2205.038, Government Code, as follows:

(a) Makes a conforming change.

(b) Makes a conforming change.

(c) Requires DPS to confer with and solicit the written advice of state agencies that operate state-owned aircraft and state agencies that the DPS, rather than SAPB, determines are principal users of aircraft operated by DPS, rather than SAPB, and, to the extent practicable, incorporate that advice in the development of the manual and subsequent changes to the manual.

(d) Authorizes DPS, rather than SAPB, by rule to require appropriate advance, rather than 12 hours, notice to obtain priority scheduling. Makes a conforming change.

SECTION 8. Amends Section 2205.039, Government Code, as follows:

(a) Make conforming changes.

(b) Makes a conforming change.

(c) Makes conforming changes.

(d) Requires DPS to monitor and ensure compliance by state agencies with the requirements of this section.

(e) Requires DPS to annually report to the Legislative Budget Board (LBB) on air travel information received under this section.

SECTION 9. Amends Section 2205.040, Government Code, as follows:

(a) Requires DPS, rather than SAPB, to adopt rates for interagency aircraft services that are sufficient to recover, in the aggregate and to the extent possible, all direct and indirect costs for the services provided, including a state agency's pro rata share of major maintenance, overhauls of equipment and facilities, and pilots' salaries.

(b) Makes a conforming change.

SECTION 10. Amends Section 2205.041(a), Government Code, to make a conforming change.

SECTION 11. Amends Section 2205.43(b), Government Code, to require DPS to adopt rules, consistent with federal regulations and Subtitle A, Title 11, rather than Article 6139f, Revised Statutes, governing the color, size, and location of marks of identification required by this section.

SECTION 12. Amends Section 2205.044, Government Code, to make a conforming change.

SECTION 13. Amends Section 2205.045(a), Government Code, to require DPS to negotiate insurance contracts to protect the state from loss caused by damage, loss, theft, or destruction of aircraft owned or leased by the state and to negotiate liability insurance contracts to protect the officers and employees of each state agency from loss arising from the operation of state-owned aircraft. Deletes text authorizing SAPB to purchase insurance to protect the board from loss caused by damage, loss, theft, or destruction of aircraft owned or leased by the state and requiring SAPB to purchase liability insurance to protect the officers and employees of each state agency from loss arising from the operation of state-owned aircraft.

SECTION 14. Amends Section 2205.047, Government Code, to require DPS, rather than SAPB, to post information related to travel and other services provided by DPS, rather than SAPB, under this chapter on an Internet site maintained by or for DPS, rather than SAPB.

SECTION 15. Repealer:

- (1) Suchapter A, Chapter 2205, Government Code (State Aircraft Pooling Board; General Provisions);
- (2) Section 2205.035, Government Code (Aircraft Lease);
- (3) Section 2205.042, Government Code (Pilots);
- (4) Section 2205.046, Government Code (Aircraft for Flight Training Programs).

SECTION 16. (a) Requires DPS and the Texas Public Finance Authority, in consultation with the Texas Building and Procurement Commission (TBPC) and the General Land Office (GLO), to establish a transition team to oversee the orderly transition and accomplishment of matters covered by this Act. Requires the team, in addition to addressing other matters as the team considers necessary, to inventory all equipment and other property required to be transferred or sold and ensure that all SAPB employee positions, except the positions of employees whose primary duties involve maintenance of aircraft, are eliminated.

(b) Provides that SAPB is abolished. Establishes that all employees of SAPB whose primary duties involve maintenance of aircraft are transferred to DPS. Provides that all contracts, records, and property of the board are transferred to DPS.

SECTION 17. (a) Requires TBPC, in consultation with DPS, by September 1, 2004, to sell for fair market value all state aircraft and aircraft-related equipment, other than equipment used in the maintenance of aircraft formerly under the custody of SAPB and two King Air 200 aircraft with aircraft identification numbers of N808WD and N7256K, respectively. Establishes that if bonds were issued in connection with acquiring or maintaining the aircraft or equipment or in connection with other board purposes, the proceeds from the sale of the aircraft and equipment shall be used to pay off the bonds to the extent the proceeds of the bonds were expended for those purposes.

(b) Requires GLO, in consultation with Texas Public Finance Authority, by September 1, 2005,

to sell or lease all facilities formerly operated by SAPB, other than facilities used for maintenance or housing of aircraft owned or operated by state agencies other than the board, located at the Austin-Bergstrom International Airport for not less than the amount determined by GLO. Establishes that if bonds were issued, the proceeds of which were expended for the purchase, maintenance, or construction of the Austin-Bergstrom facilities, the proceeds from the sale or lease of the facilities shall be used to pay off the state bond obligations as the Texas Public Finance Authority determines to be appropriate. Authorizes GLO, at the discretion of the GLO commissioner to offer the facilities for sale by competitive bid in accordance with Section 31.158 (Real Estate Authorized by the Legislature), Natural Resources Code. Authorizes GLO to negotiate a direct sale of the facilities to a current lessee of the facilities; a neighboring property owner of the facilities; or a political subdivision of the state, including Travis County or the City of Austin.

(c) Requires GLO, by September 1, 2005, to sell all facilities formerly operated by SAPB located at the site of the former Robert Mueller Municipal Airport for not less than the amount contained in the current market value assessment of the property that shall be made by GLO. Establishes that if bonds were issued in connection with acquiring or maintaining the facilities located at the site of the former Robert Mueller Municipal Airport, the proceeds from the sale of the facilities shall be used to pay off the bonds to the extent the proceeds of the bonds were expended for acquiring or maintaining the facilities. Authorizes GLO, at the discretion of GLO commissioner, to offer the facilities for sale by competitive bid in accordance with Section 31.158, Natural Resource. Authorizes GLO to negotiate direct sale of facilities to current lessee of facilities or a political subdivision of the state, including Travis County or the City of Austin.

(d) Defines "political subdivision."

SECTION 18. Requires TBPC to conduct an analysis to determine whether the cost of using charter and commercial aircraft services to provide passenger transportation to state officers and employees is more cost-effective than the services provided by SAPB. Requires TBPC, in conducting the analysis, to use the rates already adopted by SAPB for fiscal year 2004 and requires it to take into consideration the costs of meals, lodging, and other allowable travel expenses incurred when an overnight stay is required as a result of charter or commercial aircraft scheduling. Requires TBPC to complete its analysis and report its findings to the 79th Texas Legislature no later than January 15, 2005.

SECTION 19. Effective date: upon passage or November 1, 2003.