BILL ANALYSIS

Senate Research Center 79R272 MXM-D

H.B. 22 By: Brown, Fred (Shapiro) Government Organization 4/21/2005 Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Under the guidelines currently set out in Subchapter E, Chapter 2175, Government Code, state agencies must destroy surplus or salvage property. In addition, under the current law state agencies must contract to have surplus or salvage property removed.

There have been occasions when state agencies have had surplus or salvage property that was not only costly to destroy, but which could have been useful if donated to a nonprofit organization.

H.B. 22 amends Subchapter E, Chapter 2175, Government Code, to allow the donation of property to nonprofit organizations as an alternative to destruction in instances where an agency cannot otherwise sell or dispose of the property, or has determined that the property does not have a resale value. H.B. 22 also amends the definition of "assistance organization" to include a nonprofit organization that provides affordable housing; allows the comptroller to remove property from the accounting records upon donation of that property; and allows a university system or an institution of higher education to donate any surplus or salvage property to an assistance organization.

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 2175.001(1), Government Code, to redefine "assistance organization."

SECTION 2. Amends the heading to Subchapter E, Chapter 2175, Government Code, to read as follows:

SUBCHAPTER E. DESTRUCTION OR DONATION OF SURPLUS OR SALVAGE PROPERTY

SECTION 3. Amends Section 2175.241, Government Code, as follows:

Sec. 2175.241. New heading: DESTRUCTION OR DONATION OF SURPLUS OR SALVAGE PROPERTY. Authorizes property to be donated to an assistance organization, if the Texas Building and Procurement Commission (commission) or a state agency cannot otherwise sell or dispose of property in accordance with this chapter or has determined that the property has no resale value.

SECTION 4. Amends the heading to Section 2175.242, Government Code, to read as follows:

Sec. 2175.242. REMOVAL OF DESTROYED OR DONATED PROPERTY FROM STATE PROPERTY ACCOUNTING RECORDS.

SECTION 5. Amends Section 2175.242(a), Government Code, to authorize the comptroller of public accounts, on destruction or donation of property under this subchapter, to remove the property, rather than destroyed property, from the state property accounting records.

SECTION 6. Amends Section 2175.304, Government Code, by adding Subsection (d), to authorize a university system or institution or agency of higher education to donate to an assistance organization any surplus or salvage property that is not disposed of under Subsection (b) and has no resale value.

SECTION 7. Effective date: upon passage or September 1, 2005.