## **BILL ANALYSIS**

Senate Research Center 86R26630 YDB-F

H.B. 4541 By: Cyrier (Watson) Business & Commerce 5/19/2019 Engrossed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 4541 amends current law relating to the authority of the Texas Facilities Commission over certain real property owned by the state.

## **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 2166.052, Government Code, by amending Subsection (b) and adding Subsections (d), (e), (f), (g), (h), and (i), as follows:
  - (b) Prohibits the Texas Facilities Commission (TFC) from selling or otherwise disposing of real property of the State of Texas except:
    - (1) for real property located in the Capitol Complex, by specific authority:
      - (A)-(B) creates these subdivisions from existing Subdivisions (1) and (2) and makes a nonsubstantive changes; or
    - (2) for real property of the state other than the property described by Subdivision
    - (1) by specific authority granted by the legislature if the legislature is in session or, subject to Subsection (e), through formal notification to the governor and the Legislative Budget Board (LBB) if the legislature is not in session.
  - (d) Requires TFC, when considering a sale of real property of the state subject to Subsection (b)(2), to submit a formal notification of the intent to sell the property to the governor, the LBB, and each state senator and representative in whose district the property is located.
  - (e) Authorizes the governor to disapprove the sale of real property of the state subject to Subsection (b)(2) by providing written notice of the disapproval to TFC not later than the 90th day after the date the governor receives the formal notification required by Subsection (d).
  - (f) Requires the Texas General Land Office (GLO), on request by TFC, to negotiate and close a sale of real property of the state under this section (Acquisition and Disposition of Property) on behalf of TFC using procedures established in Section 31.158(c) (relating to authorizing a certain division to transact the sale or lease of state real property in a certain manner), Natural Resources Code, except that GLO is not required to offer the School Land Board the first option to purchase the real property.
  - (g) Requires each transfer of an interest in real property of the state under this section to be made by an instrument signed by the executive director of the TFC and the governor.

- (h) Requires the proceeds from the sale, lease, or other disposition of real property of the state under this section to be deposited to the Texas capital trust fund established under Chapter 2201 (Texas Capital Trust Fund) and dedicated to the acquisition, construction, repair, and improvement of state facilities. Authorizes TFC, before depositing proceeds in the fund, to recover from the proceeds all amounts spent by TFC for management, acquisition, and disposition expenses.
- (i) Provides that section 403.095 (Use of Dedicated Revenue) and 2201.003(b) (relating to requiring the unencumbered balance of the Capital Trust Fund to be transferred to the credit of the general revenue fund at the end of each fiscal biennium) do not apply to proceeds deposited in the Texas capital trust fund in accordance with this section.

SECTION 2. Effective date: September 1, 2019.