

BILL ANALYSIS

Senate Research Center
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S.B. 1149
By: Hegar, Huffman
Government Organization
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The property currently occupied by the Central Prison Unit of the Texas Department of Criminal Justice (TDCJ) has the potential to be redeveloped. TDCJ is reviewing the possibility of relocating the activity at the Central Prison Unit as well as the Smithville Prison Property (collectively referred to as CPU) to a location outside of Sugar Land, Texas.

The land abuts an active runway, and the City of Sugar Land would impose significant restrictions on the use of the land if it were sold to a third party due to the safety concerns and legal restrictions on development near airport runways. The Texas Department of Transportation Aviation Division and the federal government have made significant investments in the Sugar Land Regional Airport. Allowing the acquisition of CPU would allow the city to utilize federal dollars that have been appropriated for airport expansion through land acquisition. Finally, the sale of the land would allow TDCJ to receive significant value while also allowing the land to be developed for its highest and best use for the region.

As proposed, S.B. 1149 requires the Texas Board of Criminal Justice to authorize the sale of certain land directly to a municipality at fair market value without the requirement of a sealed bid sale. The bill sets forth the process for obtaining an appraisal and determining fair market value of the land.

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 496.0021, Government Code, by adding Subsections (c)-(e), as follows:

(c) Requires the Texas Board of Criminal Justice (TBCJ) to authorize the sale of land directly to a municipality at fair market value without the requirement of a sealed bid sale if the municipality seeking to acquire the land notifies the Texas Department of Criminal Justice (TDCJ) in writing of the municipality's desire to acquire the land for municipal airport expansion, the land is located next to an active runway of a municipally owned airport, the municipality is acquiring the land to expand municipal airport facilities, and TDCJ primarily uses the land for guard housing.

(d) Requires TBCJ, after receiving the notice required by Subsection (c), to obtain an appraisal of the land to be sold to the municipality, request that the municipality provide TBCJ with an appraisal of the land to be sold, determine whether a third appraisal by an appraiser mutually selected by TDCJ and the municipality is necessary to determine fair market value of the land to be sold, and finalize the sale of the land to the municipality at a fair market value within 18 months of receiving the written notice under Subsection (c).

(e) Requires TDCJ, in determining the fair market value of land to be sold under Subsection (c), to consider the necessary remediation that is required to be completed before the land can be used for airport expansion. Provides that if a third appraisal is required under Subsection (d), the fair market value is considered to be the average of the three appraisals required under this section minus any remediation costs.

SECTION 2. Effective date: upon passage or September 1, 2009.