BILL ANALYSIS

C.S.H.B. 3653 By: Hinojosa Land & Resource Management Committee Report (Substituted)

BACKGROUND AND PURPOSE

The William P. Hobby building was built in 1984 when building technologies and standards were significantly less demanding than today. The Texas Facilities Commission estimates that the building requires at least \$49.6 million in repairs for known deficiencies and has requested some \$19 million for the coming state fiscal biennium to address priority safety needs, including fire protection, security systems updates, and failing cast iron plumbing. C.S.H.B. 3653 seeks to authorize the sale of the building due to its poor condition, significant maintenance obligations, and increasing annual investments necessary to maintain habitability.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3653 authorizes the Texas Facilities Commission (TFC) to convey on the state's behalf certain real property in the city of Austin. The bill provides the description of the applicable real property and prohibits the property from being conveyed for an amount less than the property's fair market value, which is to be established by an independent appraisal obtained by the asset management division of the General Land Office (GLO). The bill requires the GLO to negotiate and close the transaction on TFC's behalf, requires the sale to comply with certain specified federal regulations, and establishes that such compliance requirement prevails to the extent of any conflict with another of the bill's provisions or any other law.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3653 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not give a local government entity with eminent domain authority within which the applicable real property is located the first option to purchase the real property or the School Land Board the second option and does not require the conveyance of the property to be

by sealed bid or public auction if the property is not conveyed as authorized to either of those entities.

The substitute includes a requirement for the sale of the property to comply with certain specified federal regulations.

The substitute does not provide for the conveyance of a certain second tract of real property commonly known and designated on the official City of Austin map as the Old Court House and Jail Block.