

SUBJECT: Sale of Texas Department of Criminal Justice property

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 7 ayes — Saunders, Mowery, Combs, Hilderbran, Howard, Krusee, B. Turner

0 nays

2 absent — Alexander, Hamric

WITNESSES: None

DIGEST: HB 1979 would authorize the Texas Board of Criminal Justice to sell for fair market value property that is under its management and control. The General Land Office would handle the sale according to established procedures in the Natural Resources Code with the proceeds going to the Texas capital trust fund.

SUPPORTERS SAY: HB 1979 would allow the Texas Department of Criminal Justice (TDCJ) to sell property that is not usable by the agency for the benefit of the state. TDCJ has inventoried its property and identified land that is unusable because it is small, isolated or inappropriate. For example, some of the parcels were created when a highway or city loop was built and cut off a piece of agency land from other facilities.

The General Land Office is currently required to review state agencies' property at least every four years and to make recommendations about the use of the property. Most sales of property require legislative authorization. HB 1979 would give TDCJ flexibility to sell unusable land without having legislation for each sale. It is appropriate for TDCJ to have this authority because of the large amount of agency property, the ability of the agency to keep an up-to-date inventory of unusable property and the need for agency flexibility to act quickly to take advantage of opportunities in the real estate market. The state could lose money on a transaction if the agency has to wait until the Legislature is in session to authorize a sale.

HB 1979 would not take TDCJ out of the current process of land review by the General Land Office. The current process was developed to ensure land is reviewed in a systematic way and that it would be sold if it were underutilized or unusable, and HB 1979 would ensure the same thing. The Legislature would retain oversight of TDCJ's property through the general legislative and appropriations processes.

HB 1979 would require sales to be handled by the General Land Office according to established procedures that govern the bidding process, notice of the sale and the acceptance of bids. This would take advantage of the land office's expertise and experience in land sales and ensure TDCJ does not duplicate an established process for selling land. Proceeds would be deposited in the Texas capital trust fund used to acquire, construct, repair and equip state buildings, acquire property for state buildings and administer the asset management division of the General Land Office.

Other state agencies such as the Texas Department of Transportation and the School Land Board have authority to sell land, and several agencies, including TDCJ, have authority to lease out property under its control.

**OPPONENTS
SAY:**

The current procedures standardize the process of identifying and selling state land and allow the Legislature to oversee the process. Allowing a state agency to sell land without legislative authorization removes legislative oversight and could lead to other agencies requesting similar authority.

NOTES:

HB 2162 by Hightower, passed by the House on April 25, contained a similar provision allowing TDCJ to sell property.