Amend CSSB 1952 (committee printing) on page 2, line 40, by striking ARTICLE 4 and substituting new ARTICLE 4 as follows:

ARTICLE 4. MANAGEMENT AND CONSTRUCTION OF STATE AGENCY OFFICE SPACE

SECTION 4.01. Section 2165.056(a), Government Code, is amended to read as follows:

Department of Transportation or the Texas Department of Criminal Justice, and shall for all other agencies [a state agency's request,] exercise the powers and duties given to the commission by this subchapter and Subchapters A, D, E, and F, on or with respect to any property owned or leased by the state.

SECTION 4.02. Subchapter B, Chapter 2165, Government Code, is amended by adding Section 2165.057 to read as follows:

Sec. 2165.057. ANNUAL REPORT. Not later than September 1 of each year, the commission shall:

- (1) issue a report on the amount of cost savings achieved by the commission through:
- (A) the reduction of square footage of office and warehouse space leased;
 - (B) the efficient use of state-owned space;
 - (C) the renegotiation of leased space; and
- (D) waivers granted in accordance with Section 2165.104(c-1); and
 - (2) provide a copy of a report under this section to:
 - (A) the governor;
 - (B) the lieutenant governor;
 - (C) the speaker of the house of representatives;
- (D) the chairs of the Senate Finance Committee and the House Appropriations Committee; and
- (E) the chairs of the Senate Administration Committee and the House Administration Committee.

SECTION 4.03. Section 2165.104, Government Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) <u>The</u> [To the extent possible without sacrificing critical public or client services, the] commission may not

allocate usable office space, as defined by the commission, to a state agency under Article I, II, V, VI, VII, or VIII of the General Appropriations Act or to the Texas Higher Education Coordinating Board, the Texas Education Agency, the State Board for Educator Certification, the Telecommunications Infrastructure Fund Board, or the Office of Court Administration of the Texas Judicial System in an amount that exceeds an average of 153 square feet per agency employee for each agency site. [To the extent that any of those agencies allocates its own usable office space, as defined by the commission, the agency shall allocate the space to achieve the required ratio.] This subsection does not apply to:

- (1) an agency site at which it is not practical to apply this subsection because of the site's type of space or use of space, as determined by the commission; or [an agency site at which fewer than 16 employees are located;
- (2) For good cause and when critical to the public interest or client services, the commission may grant to an agency a waiver of the requirements under Subsection (c). warehouse space;
 - [(3)] laboratory space;
 - [(4)] storage space exceeding 1,000 gross square feet;
 - [(5)] library space;
- [(6)] space for hearing rooms used to conduct hearings required under the administrative procedure law, Chapter 2001; or
- [(7)] another type of space specified by commission rule, if the commission determines that it is not practical to apply this subsection to that space.

SECTION 4.04. The first report required under Section 2165.057, Government Code, as added by this Act, must be provided to the appropriate recipients specified under that section not later than September 1, 2004.

SECTION 4.05. The change in law made by Section 4.01 of this article applies only to a lease for usable office space entered into or renewed on or after September 1, 2003. A lease entered into or renewed before September 1, 2003, shall be reviewed by the Texas Building and Procurement Commission as the lease comes up for renewal to determine whether it would be cost-effective to bring the lease into compliance with Subsection (c), Section 2165.104,

Government Code, as amended by this article.

SECTION 4.06. Notwithstanding any other law, including Subchapter A, Chapter 2254, and Chapters 2165, 2166, and 2167, Government Code, and Sections 202.052, 202.053, 203.051, 203.052, and 223.001, Transportation Code, the Texas Department of Transportation may enter into one or more agreements with a private entity offering the best value to the state that includes:

- (1) both design and construction of the department's several district office headquarters facilities;
- (2) a lease of department-owned real property to the private entity;
- (3) provisions authorizing the private entity to construct and retain ownership of buildings on property leased to the private entity under Subdivision (2) of this section;
- (4) provisions under which the department agrees to enter into an agreement to lease with an option or options to purchase for the buildings constructed on the leased property; and
- (5) any other provisions the department considers advantageous to the state.