## **BILL ANALYSIS**

Senate Research Center 79R10303 MXM-D C.S.S.B. 288 By: Shapleigh Government Organization 3/17/2005 Committee Report (Substituted)

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

Currently, surplus property reported on the State Property Accounting Inventory is not allowed to be transferred to other countries or states. At this time, only the surplus state property that is destroyed is permitted to be removed from state property accounting records.

Obsolete property in the State of Texas may be found to have usefulness in Mexico, South Africa, and other U.S. states. Property that could be transferred includes air/water monitoring equipment, medical testing equipment, used vehicles, hospital beds, heavy construction or farming equipment along with other types of property. For example, if the State of Texas could transport its surplus environmental monitoring equipment to Mexico, it would improve environmental conditions in Texas along the border, as Mexico's air quality gravely impacts that of Texas. Mexico's current lack of environmental monitoring equipment prevents officials from providing timely information to its citizens and to Texas regarding environmental conditions within that country.

The transfer of surplus property from Texas to Mexico, South Africa, or other U.S. states will benefit all parties. The State of Texas can transfer the equipment rather than scrapping or stockpiling obsolete equipment and will be able to save money by removing surplus equipment from its inventory. Transferring these materials and donating the surplus property will also help to foster a relationship between Texas and these nations.

C.S.S.B. 288 modifies state law that restricts transfer of surplus property to other countries or states. For state surplus property that cannot be sold or disposed of, the bill allows it to be donated to a state in the United Mexican States contiguous to Texas, the Republic of South Africa, or other U.S. states. The comptroller may then remove the donated property from state property accounting records. In addition, C.S.S.B. 288 allows a university system, institution, or agency of higher education to donate to Mexico, South Africa, or other U.S. states any surplus or salvage property that is not disposed of and has no resale value.

#### **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 the heading to Subchapter E, Chapter 2175, Government Code, to read as follows:

# SUBCHAPTER E. DESTRUCTION OR DONATION OF SURPLUS OR SALVAGE PROPERTY

SECTION 2. Amends Section 2175.241, Government Code, as follows:

Sec. 2175.241. New heading: DESTRUCTION OR DONATION OF SURPLUS OR SALVAGE PROPERTY. Includes that property may be donated to the Republic of South Africa, another state in the United States, or a state in the United Mexican States that is adjacent to Texas if it cannot otherwise be sold or disposed of according to this chapter or if it has no resale value. Requires, if the Texas Building and Procurement Commission (commission) or a state agency donates property under this section, the

commission or state agency to require that the state or nation that receives the property to execute a statement releasing this state from any liability arising out of the donation.

SECTION 3. Amends the heading of Section 2175.242, Government Code, to read as follows:

Sec. 2175.242. REMOVAL OF DESTROYED OR DONATED PROPERTY FROM STATE PROPERTY ACCOUNTING RECORDS.

SECTION 4. Amends Section 2175.242(a), Government Code, to authorize the comptroller to remove property, rather than destroyed property, from the state property accounting records upon destruction or donation of property under this subchapter.

SECTION 5. Amends Section 2175.304, Government Code, by adding Subsections (d) and (e), as follows:

(d) Authorizes a university system or institution or agency of higher education to donate certain surplus or salvage property to the Republic of South Africa, another state in the United States, or a state in the United Mexican States that is adjacent to this state.

(e) Requires a university system or institution or agency of higher education to require that the state or nation that receives the property to execute a statement releasing this state from any liability arising out of the donation.

SECTION 6. Effective date: upon passage or September 1, 2005.