

BILL ANALYSIS

C.S.H.B. 2324
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Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Sugar Land Regional Airport is the fourth largest airport in the Houston area, and the largest reliever airport. The Central Prison Unit (CPU) of the Texas Department of Criminal Justice is comprised of approximately 326 acres. The CPU and nearby “Smithville” guard housing are physically bisected by the runway of the Sugar Land Regional Airport. Allowing the City of Sugar Land to purchase the guard housing property would allow the city to use federal dollars that have been appropriated for airport expansion through land acquisition.

C.S.H.B. 2324 requires the Texas Board of Criminal Justice to authorize the sale of land directly to a municipality at fair market value without the requirement of a sealed bid sale if the purpose is for airport expansion.

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. 2324 amends the Government Code to require the Texas Board of Criminal Justice 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 in writing of the municipality's desire to acquire the land for municipal airport expansion, if the land is located next to an active runway of a municipally owned airport, if the municipality is acquiring the land to expand municipal airport facilities or supporting commercial operations for the airport, and if the department primarily uses the land for guard housing. The bill requires the board, after it receives written notice from a municipality seeking to acquire the land, to obtain an appraisal of the land to be sold to the municipality, to request that the municipality provide the board with an appraisal of the land to be sold, to determine whether a third appraisal by an appraiser mutually selected by the department and municipality is necessary to determine fair market value of the land to be sold, and to finalize the sale of the land to the municipality at fair market value within 18 months of receiving the written notice.

C.S.H.B. 2324 requires the department, in determining the fair market value of land to be sold, to consider the necessary remediation that must be completed before the land can be used for airport expansion. The bill clarifies that if a third appraisal is required, the fair market value is considered to be the average of the three required appraisals.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2009.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 2324 adds new language to allow the property to be purchased for the expansion of commercial supporting operations in addition to airport facilities. The committee substitute moves requirements regarding the finalization of the sale to a new subsection. The committee substitute modifies the original by removing the provision that remediation costs be subtracted when averaging the three appraisals to reach the fair market value.