

## **BILL ANALYSIS**

C.S.H.B. 3217  
By: Price  
State Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties point out that the population of the greater Amarillo area is approximately 750,000 and continues to grow rapidly. These parties note that the increase in population has created a significant increase in law enforcement and criminal investigation operations, as well as an increase in demand for driver's license services and other functions, creating concern that the Amarillo district office of the Department of Public Safety (DPS) is no longer able to provide adequate customer services. The parties assert that the current facility, which does not have space for expansion, is noncompliant with Americans with Disabilities Act provisions, has undersized testing and waiting areas, and has inadequate parking for employees, customers, and commercial vehicles. The parties suggest that a new district office is needed to provide adequate space for current and future expansion, comply with current building codes, and provide better customer access and services and that the current location should be sold or exchanged for other real property.

The interested parties note that Randall County has expressed interest in acquiring the current Amarillo DPS district office to expand its court offices. C.S.H.B. 3217 seeks to authorize the sale or exchange of this real property to Randall County.

### **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. 3217 requires the asset management division of the General Land Office (GLO), on behalf of the Department of Public Safety (DPS) and not later than August 31, 2017, to offer to convey to Randall County the real property described by the bill. The bill establishes that provisions relating to a required evaluation report for certain state-owned real property, a governor's report regarding real property, real estate actions authorized by the legislature, and the School Land Board's first option to purchase do not apply to a sale or exchange of real property authorized by the bill's provisions.

C.S.H.B. 3217 requires consideration for the sale, if the real property is offered for sale to Randall County, to be in an amount equal to the market value of the property as established by an independent appraisal obtained by the asset management division of the GLO. The bill requires exchanged property, if the real property is offered to Randall County in exchange for property conveyed by Randall County to DPS, to be of equivalent market value as established by an independent appraisal obtained by the asset management division of the GLO. The bill requires proceeds from a sale of real property authorized under the bill's provisions to be deposited to the credit of a dedicated account in the general revenue fund and authorizes proceeds to be used only for the purpose of constructing, purchasing, or leasing a new facility for the Amarillo office of DPS. The bill establishes that provisions governing the use of dedicated revenue do not apply to money deposited under the bill's provisions.

C.S.H.B. 3217 authorizes the expenses incurred by the asset management division of the GLO in conducting the transfer of the real property by sale to be deducted from the proceeds of the sale before deposit in the general revenue fund. The bill requires Randall County to pay to the GLO an amount equal to the expenses incurred by the asset management division of the GLO in conducting the transfer of the real property by exchange. The bill requires the funds paid by Randall County to be deposited in the general revenue fund to the credit of the GLO.

C.S.H.B. 3217 authorizes DPS to enter into a contract to lease a facility built to suit DPS to which the operations conducted by DPS on the property will be relocated. The bill requires such a contract to be for a lease term of at least 10 years.

**EFFECTIVE DATE**

September 1, 2013.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3217 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

**INTRODUCED**

**SECTION 1. AUTHORIZATION FOR SALE OR EXCHANGE OF REAL PROPERTY.**

(a) Except as provided by Section 2(a) of this Act, the asset management division of the General Land Office, on behalf of the Department of Public Safety of the State of Texas, shall, not later than August 31, 2015, offer to convey to Randall County the real property described by Section 3 of this Act under the terms provided by Section 2 of this Act.

(b) Sections 31.1571, 31.158, and 31.159, Natural Resources Code, do not apply to a sale or exchange of real property authorized by this Act.

**SECTION 2. SPECIFIC TERMS FOR SALE OR EXCHANGE.**

(a) The property described by Section 3 of this Act may not be offered for sale or exchange until after the date the Department of Public Safety of the State of Texas completes the relocation of its operations on the property to another location.

(b) If the real property is offered for sale to Randall County, consideration for the sale must be in an amount equal to the market value of the property as established by an independent appraisal obtained by the asset

**HOUSE COMMITTEE SUBSTITUTE**

**SECTION 1. AUTHORIZATION AND TERMS FOR SALE OR EXCHANGE OF REAL PROPERTY.**

(a) The asset management division of the General Land Office, on behalf of the Department of Public Safety of the State of Texas, shall, not later than August 31, 2017, offer to convey to Randall County the real property described by Section 2 of this Act under the terms provided by this section.

(b) Sections 31.157, 31.1571, 31.158, and 31.159, Natural Resources Code, do not apply to a sale or exchange of real property authorized by this Act.

(c) If the real property is offered for sale to Randall County, consideration for the sale must be in an amount equal to the market value of the property as established by an independent appraisal obtained by the asset

management division of the General Land Office. If the real property is offered to Randall County in exchange for property conveyed by Randall County to the Department of Public Safety of the State of Texas, the property exchanged must be of equivalent market value as established by an independent appraisal obtained by the asset management division of the General Land Office.

(c) Proceeds from a sale of real property authorized by this Act shall be deposited to the credit of a dedicated account in the general revenue fund and may be used only for the purpose of constructing, purchasing, or leasing a new facility for the Amarillo office of the Department of Public Safety of the State of Texas. Section 403.095, Government Code, does not apply to money deposited under this subsection.

management division of the General Land Office. If the real property is offered to Randall County in exchange for property conveyed by Randall County to the Department of Public Safety of the State of Texas, the property exchanged must be of equivalent market value as established by an independent appraisal obtained by the asset management division of the General Land Office.

(d) Subject to Subsection (e) of this section, proceeds from a sale of real property authorized by this Act shall be deposited to the credit of a dedicated account in the general revenue fund and may be used only for the purpose of constructing, purchasing, or leasing a new facility for the Amarillo office of the Department of Public Safety of the State of Texas. Section 403.095, Government Code, does not apply to money deposited under this subsection.

(e) In the event the real property described by Section 2 of this Act is transferred by sale, the expenses incurred by the asset management division of the General Land Office in conducting the sale may be deducted from the proceeds of the sale before deposit in the general revenue fund under Subsection (d) of this section. In the event the real property is transferred by exchange, Randall County shall pay to the General Land Office an amount equal to the expenses incurred by the asset management division of the General Land Office in conducting the exchange. The funds paid by Randall County shall be deposited in the general revenue fund to the credit of the General Land Office.

### SECTION 3. PROPERTY DESCRIPTION.

SECTION 4. AUTHORIZATION FOR BUILD-TO-SUIT LEASE. The Department of Public Safety of the State of Texas may enter into a contract to lease a facility built to suit the department to which the operations conducted by the department on the property described by Section 3 of this

SECTION 2. Same as introduced version.

SECTION 3. Substantially the same as introduced version.

Act will be relocated. A contract entered into under this section must be for a lease term of at least 10 years.

SECTION 5. EFFECTIVE DATE. This Act takes effect September 1, 2013.

SECTION 4. Same as introduced version.