

By: Simmons

H.B. No. 3750

A BILL TO BE ENTITLED

AN ACT

relating to interim studies on real property owned by the state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. INTERIM STUDY. (a) The State Office of Risk Management shall conduct an interim study on insurable state assets, using information provided by the Legislative Budget Board, to develop a statewide strategy to ensure that all real property owned by the state, including buildings, facilities, and land, is adequately insured.

(b) The Legislative Budget Board shall collect the information listed under Subsection (c) of this section from each state agency that possesses real property and require each state agency to submit the information to the board by a date prescribed by the board. The board shall coordinate with the following entities to collect the information:

- (1) the comptroller of public accounts;
- (2) the state auditor's office;
- (3) the State Office of Risk Management;
- (4) the General Land Office; and
- (5) the Texas Facilities Commission.

(c) The Legislative Budget Board shall coordinate the collection of comprehensive real property data for official state use, including:

- (1) for each state-owned building or facility:

1 (A) the name of the state agency that has charge  
2 and control of the building or facility, including, for  
3 institutions of higher education, the number assigned to the  
4 institution by the Federal Interagency Committee on Education;

5 (B) the number or name of the building or  
6 facility;

7 (C) the address and geographic coordinates of the  
8 building or facility;

9 (D) a description of the building or facility,  
10 including the type of construction based on the Insurance Services  
11 Office classification system, the cost of construction, and a  
12 statement on the quality of the construction;

13 (E) the year the building or facility was built  
14 or the acquisition date of the building or facility;

15 (F) the number of stories and the square footage  
16 of the building or facility;

17 (G) the occupancy type of the building or  
18 facility;

19 (H) the amount of space in the building or  
20 facility that is being used, expressed as a percentage;

21 (I) the status of the fire alarm system within  
22 the building or facility;

23 (J) information on protection systems and  
24 features of the building or facility, including fire protection  
25 systems and features and any violations for which the building or  
26 facility has been cited;

27 (K) the value of the building or facility based

1 on replacement value, market value, donated value, or purchase  
2 price, including the year the building or facility was appraised;

3 (L) the value of the contents of the building or  
4 facility;

5 (M) the fund from which the building or facility  
6 was purchased;

7 (N) information on the flood zone status of the  
8 building or facility;

9 (O) any surrounding use of the building or  
10 facility; and

11 (P) the type of fund profiled under the uniform  
12 statewide accounting system that the state agency used to purchase  
13 the building or facility; and

14 (2) for state-owned land:

15 (A) the name of the state agency that has charge  
16 and control of the land, including, for institutions of higher  
17 education, the number assigned to the institution by the Federal  
18 Interagency Committee on Education;

19 (B) the address and geographic coordinates of the  
20 land;

21 (C) the name of the land, if any;

22 (D) whether a historical marker is located on the  
23 land, and if so, a description of the historical marker;

24 (E) the amount of acres of the land;

25 (F) whether the land is located in a flood zone;

26 (G) any surrounding use of the land;

27 (H) the value of the land based on market value,

1 donated value, or purchase price and the year the land was  
2 appraised; and

3 (I) the fund from which the land was purchased.

4 (d) The Legislative Budget Board shall report the  
5 information submitted by each state agency to the State Office of  
6 Risk Management by a date prescribed by the State Office of Risk  
7 Management.

8 (e) Not later than January 1, 2016, the State Office of Risk  
9 Management shall consolidate the information received by the  
10 Legislative Budget Board and enter it into a single database  
11 accessible by the legislature and all state agencies.

12 (f) Not later than January 1, 2017, the State Office of Risk  
13 Management shall conduct the insurable state asset interim study  
14 and report the office's findings and recommendations to the  
15 legislature. The report must include a statewide strategy that  
16 will ensure all real property owned by the state is adequately  
17 insured.

18 SECTION 2. SELECT INTERIM COMMITTEES; STUDY. (a) A Senate  
19 Select Committee on State Real Property Data Collection, Reporting,  
20 and Assessment and a House Select Committee on State Real Property  
21 Data Collection, Reporting, and Assessment are established to,  
22 separately or jointly, study:

23 (1) the potential benefits of maintaining a  
24 comprehensive database of all real property owned by the state;

25 (2) the potential financial loss to the state that  
26 could result from the state owning uninsured and underinsured real  
27 property;

1           (3) any efficiencies or cost savings potentially  
2 achieved by requiring the General Land Office to submit the annual  
3 report required under Section 31.157, Natural Resources Code, to  
4 the Texas Department of Transportation, the Employees Retirement  
5 System of Texas, and the Teacher Retirement System of Texas;

6           (4) the potential benefits or burdens, including  
7 administrative burdens, of requiring each state agency to report  
8 information on the real property it possesses, at the same time and  
9 in a uniform manner, to a single entity, and how often state  
10 agencies should report this information;

11           (5) which state agency is best suited to collect  
12 information on all real property owned by the state and the  
13 appropriate method for collecting this information;

14           (6) the information that is currently reported by  
15 state agencies regarding real property it possesses;

16           (7) the distinction between state agencies that report  
17 information on real property owned by the state as compared to state  
18 agencies that collect information for a report on real property  
19 owned by the state;

20           (8) information determined by the Legislative Budget  
21 Board as necessary for the State Office of Risk Management to  
22 conduct an insurable state asset study to develop a statewide  
23 strategy that will ensure all real property owned by the state is  
24 adequately insured;

25           (9) how often the State Office of Risk Management  
26 should submit an insurable state asset study to the legislature;

27           (10) the results of the appraisal required by

1 Subsection (e) of this section, and the potential loss to the state  
2 by inadequately insuring the Capitol Complex, as defined by Section  
3 [443.0071](#), Government Code; and

4 (11) other potential ways to ensure that the state is  
5 able to identify, track, and maintain a database of the location,  
6 condition, and replacement value of all real property owned by the  
7 state.

8 (b) Not later than November 30, 2015, the lieutenant  
9 governor shall appoint five senators to the Senate Select Committee  
10 on State Real Property Data Collection, Reporting, and Assessment  
11 and designate one senator to serve as the chair, and the speaker of  
12 the house of representatives shall appoint five state  
13 representatives to the House Select Committee on State Real  
14 Property Data Collection, Reporting, and Assessment and select one  
15 state representative to serve as the chair.

16 (c) The committees established under this section shall  
17 convene separately at the call of the chair of the respective  
18 committee, or jointly at the call of both chairs. In joint  
19 meetings, the chairs of each committee shall act as joint chairs.

20 (d) Following consideration of the factors listed in  
21 Subsection (a) of this section, the committees established under  
22 this section shall jointly adopt recommendations and report in  
23 writing any findings and adopted recommendations to the legislature  
24 not later than January 13, 2017. The report, at a minimum, must  
25 identify a single entity to collect information on all real  
26 property owned by the state, including buildings, facilities, and  
27 land.

1           (e) The committees established under this section shall  
2 conduct an appraisal of the Capitol Complex, as defined by Section  
3 [443.0071](#), Government Code. The committees may contract with a  
4 state certified or state licensed real estate appraiser in  
5 accordance with Subchapter A, Chapter 2254, Government Code, and  
6 other applicable state procurement practices to conduct the  
7 appraisal. The appraisal must be completed in a manner that ensures  
8 that the committees can comply with the requirements of Subsection  
9 (a)(10) of this section.

10           SECTION 3. EXPIRATION. This Act expires September 1, 2017.

11           SECTION 4. EFFECTIVE DATE. This Act takes effect  
12 immediately if it receives a vote of two-thirds of all the members  
13 elected to each house, as provided by Section [39](#), Article III, Texas  
14 Constitution. If this Act does not receive the vote necessary for  
15 immediate effect, this Act takes effect September 1, 2015.