

BILL ANALYSIS

S.B. 646
By: Birdwell
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

During its recent review of the Texas Real Estate Commission (TREC), which is one of the few state agencies with self-directed semi-independent (SDSI) status, the Sunset Advisory Commission noted that the TREC had been choosing to focus on allocating revenue into the agency's building fund reserves at the expense of core agency services. Given their relative autonomy, it has been suggested that it is critical that uniform guidelines are prescribed to ensure that all SDSI agencies responsibly set aside building reserve funds without compromising funding for core services. S.B. 646 seeks to provide a uniform, systematic procedure for all SDSI agencies wishing to purchase property or construct projects and encourage the use of property currently owned by the state.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the governor in SECTION 1 of this bill.

ANALYSIS

S.B. 646 amends the Government Code to require a self-directed semi-independent (SDSI) state agency to obtain written authorization from the governor before allocating money for the purchase of real property or to construct a building on real property. The bill establishes that this requirement does not limit the authority of the legislature under other law to authorize construction projects or the purchase of real property. The bill requires the SDSI agency to seek approval for the purchase or construction by submitting, in accordance with procedures prescribed by the governor, certain specified information to the governor and to the Texas Facilities Commission (TFC). The bill establishes that an SDSI agency which receives such written authorization is required to collaborate with the TFC with respect to the purchase or project and to notify the TFC and the General Land Office on completion of the purchase or project. The bill requires the governor to prescribe the procedures, authorizes the governor to adopt the rules necessary to implement these provisions, and authorizes the initial rules to be adopted in the manner provided by law for emergency rules.

S.B. 646, not later than January 1, 2020, and in accordance with procedures prescribed by the governor, requires an SDSI agency that before the bill's effective date allocated money to purchase real property or construct a building on real property and has not completed the purchase or has not begun the construction, as applicable, to submit to the governor a detailed description of the proposed purchase or project and prohibits the agency from allocating additional money for the purchase or project unless the agency receives written authorization for

the purchase or project from the governor in accordance with the bill's provisions and any rules adopted under those provisions.

EFFECTIVE DATE

September 1, 2019.