

By: Gates

H.B. No. 5408

A BILL TO BE ENTITLED

AN ACT

relating to General Land Office and Texas Department of Housing and Community Affairs reviews of real property owned by the state.

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

SECTION 1. Section 31.156, Natural Resources Code, is amended by amending Subsection (c) and adding Subsections (f), (g), and (h) to read as follows:

(c) The division's recommendations must include an analysis of the highest and best use to which the real property may legally be placed and shall also include alternative uses of the real property addressing potential for commercial, residential, or agricultural lease of the real property or any other real estate transaction or use that the division may deem to be in the best interest of the state.

(f) In considering alternative uses of the real property for residential lease in Subsection (c), the division shall solicit a basic assessment from the Texas Department of Housing and Community Affairs concerning whether all or portions of the real property are suitable to lease or otherwise develop for affordable housing.

(g) The Texas Department of Housing and Community Affairs shall submit the basic assessment under Subsection (f) not later than 60 days after receiving a solicitation from the division.

(h) The division shall include the basic assessment submitted under Subsection (g) in the report required by Section

1 31.157.

2 SECTION 2. Section 31.1571, Natural Resources Code, is
3 amended by amending Subsections (b) and (c) and adding Subsections
4 (b-1) and (b-2) to read as follows:

5 (b) Before the commissioner recommends a real estate
6 transaction to the governor under this section, the commissioner
7 shall solicit a basic assessment from the Texas Department of
8 Housing and Community Affairs concerning whether all or portions of
9 the real property are suitable to lease or otherwise develop for
10 affordable housing.

11 (b-1) The Texas Department of Housing and Community Affairs
12 shall submit the basic assessment under Subsection (b) not later
13 than 60 days after receiving a solicitation from the commissioner.

14 (b-2) If the commissioner makes a report under Subsection
15 (a), the commissioner shall include the basic assessment submitted
16 under Subsection (b-1) in the report.

17 (c) After the commissioner recommends a real estate
18 transaction to the governor under this section, the commissioner
19 shall notify the state agency that owns or controls the real
20 property [~~and the Texas Department of Housing and Community~~
21 ~~Affairs~~]. Not later than the 60th day after the date the written
22 recommendation is received, the state agency [~~and the Texas~~
23 ~~Department of Housing and Community Affairs~~] may file with the
24 governor their comments on or objections to the recommendation.

25 [~~(c) If the commissioner recommends a real estate~~
26 ~~transaction to the governor involving real property identified as~~
27 ~~not used or substantially underused and the division's analysis of~~

~~the highest and best use for the real property is determined to be residential, the Texas Department of Housing and Community Affairs shall evaluate the property and identify any property suitable for affordable housing. The Texas Department of Housing and Community Affairs shall submit comments concerning any property suitable for affordable housing and any documents supporting the comments to the governor not later than the 60th day after the date it receives the report prepared under this section.]~~

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.