

1-1 By: Simmons, Lucio III, Murr H.B. No. 3750  
 1-2 (Senate Sponsor - Birdwell)  
 1-3 (In the Senate - Received from the House May 18, 2015;  
 1-4 May 19, 2015, read first time and referred to Committee on Business  
 1-5 and Commerce; May 22, 2015, reported favorably by the following  
 1-6 vote: Yeas 7, Nays 0; May 22, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15			X	
1-16	X			
1-17	X			

1-18 A BILL TO BE ENTITLED  
 1-19 AN ACT

1-20 relating to interim studies on real property owned by the state.  
 1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-22 SECTION 1. INTERIM STUDY. (a) The State Office of Risk  
 1-23 Management shall conduct an interim study on insurable state  
 1-24 assets, using information provided by the Legislative Budget Board,  
 1-25 to develop a statewide strategy to ensure that all real property  
 1-26 owned by the state, including buildings, facilities, and land, is  
 1-27 adequately insured.  
 1-28 (b) The Legislative Budget Board shall collect the  
 1-29 information described by this section from each state agency and  
 1-30 institution of higher education that possesses real property and  
 1-31 require each agency and institution to submit the information to  
 1-32 the board by a date prescribed by the board. The board shall  
 1-33 coordinate with the following entities to collect the information:  
 1-34 (1) the comptroller of public accounts;  
 1-35 (2) the state auditor's office;  
 1-36 (3) the State Office of Risk Management;  
 1-37 (4) the General Land Office;  
 1-38 (5) the Texas Facilities Commission;  
 1-39 (6) the Texas Higher Education Coordinating Board; and  
 1-40 (7) any other state agency.  
 1-41 (c) The Legislative Budget Board shall coordinate the  
 1-42 collection of comprehensive real property data for official state  
 1-43 use, including for a state agency other than an institution of  
 1-44 higher education, as defined by Section 61.003, Education Code:  
 1-45 (1) for each state-owned building or facility:  
 1-46 (A) the name of the state agency that has charge  
 1-47 and control of the building or facility;  
 1-48 (B) the number or name of the building or  
 1-49 facility;  
 1-50 (C) the address and geographic coordinates of the  
 1-51 building or facility;  
 1-52 (D) a description of the building or facility,  
 1-53 including the type of construction based on the Insurance Services  
 1-54 Office classification system, the cost of construction, and a  
 1-55 statement on the quality of the construction;  
 1-56 (E) the year the building or facility was built  
 1-57 or the acquisition date of the building or facility;  
 1-58 (F) the number of stories and the square footage  
 1-59 of the building or facility;  
 1-60 (G) the occupancy type of the building or  
 1-61 facility;

2-1 (H) the amount of space in the building or  
2-2 facility that is being used, expressed as a percentage;  
2-3 (I) the status of the fire alarm system within  
2-4 the building or facility;  
2-5 (J) information on protection systems and  
2-6 features of the building or facility, including fire protection  
2-7 systems and features and any violations for which the building or  
2-8 facility has been cited;  
2-9 (K) the value of the building or facility based  
2-10 on replacement value, market value, donated value, or purchase  
2-11 price, including the year the building or facility was appraised;  
2-12 (L) the value of the contents of the building or  
2-13 facility;  
2-14 (M) the fund from which the building or facility  
2-15 was purchased;  
2-16 (N) information on the flood zone status of the  
2-17 building or facility;  
2-18 (O) any surrounding use of the building or  
2-19 facility; and  
2-20 (P) the type of fund profiled under the uniform  
2-21 statewide accounting system that the state agency used to purchase  
2-22 the building or facility; and  
2-23 (2) for state-owned land:  
2-24 (A) the name of the state agency that has charge  
2-25 and control of the land;  
2-26 (B) the address and geographic coordinates of the  
2-27 land;  
2-28 (C) the name of the land, if any;  
2-29 (D) whether a historical marker is located on the  
2-30 land, and if so, a description of the historical marker;  
2-31 (E) the amount of acres of the land;  
2-32 (F) whether the land is located in a flood zone;  
2-33 (G) any surrounding use of the land;  
2-34 (H) the value of the land based on market value,  
2-35 donated value, or purchase price and the year the land was  
2-36 appraised; and  
2-37 (I) the fund from which the land was purchased.  
2-38 (d) The Legislative Budget Board shall collect the real  
2-39 property data of an institution of higher education, as defined by  
2-40 Section 61.003, Education Code, from:  
2-41 (1) the Texas Higher Education Coordinating Board, as  
2-42 such data is reported to that board, including, for each building or  
2-43 facility owned by an institution:  
2-44 (A) the name of the institution that has charge  
2-45 and control of the building or facility, including the number  
2-46 assigned to the institution by the Federal Interagency Committee on  
2-47 Education;  
2-48 (B) the number or name of the building or  
2-49 facility;  
2-50 (C) the address and geographic coordinates of the  
2-51 building or facility;  
2-52 (D) a description of the building or facility,  
2-53 including the type of construction;  
2-54 (E) the year the building or facility was built  
2-55 or the acquisition date of the building or facility;  
2-56 (F) the number of stories and the square footage  
2-57 of the building or facility;  
2-58 (G) the occupancy type of the building or  
2-59 facility;  
2-60 (H) the amount of space in the building or  
2-61 facility that is being used, expressed as a percentage;  
2-62 (I) the value of the building or facility based  
2-63 on replacement value; and  
2-64 (J) information on the flood zone status of the  
2-65 building or facility; and  
2-66 (2) each institution of higher education, including,  
2-67 for land owned by the institution:  
2-68 (A) the name of the institution that has charge  
2-69 and control of the land, including the number assigned to the

3-1 institution by the Federal Interagency Committee on Education;  
 3-2 (B) the address and geographic coordinates of the  
 3-3 land;  
 3-4 (C) the name of the land, if any;  
 3-5 (D) the amount of acres of the land; and  
 3-6 (E) the value of the land based on the market  
 3-7 value or acquisition value.  
 3-8 (e) The Legislative Budget Board shall report the  
 3-9 information submitted by each state agency and institution of  
 3-10 higher education to the State Office of Risk Management by a date  
 3-11 prescribed by the State Office of Risk Management.  
 3-12 (f) Not later than June 1, 2016, the State Office of Risk  
 3-13 Management shall consolidate the information received by the  
 3-14 Legislative Budget Board and enter it into a single database  
 3-15 accessible by the legislature and all state agencies and  
 3-16 institutions of higher education.  
 3-17 (g) Not later than August 31, 2016, the State Office of Risk  
 3-18 Management shall conduct the insurable state asset interim study  
 3-19 and report the office's findings and recommendations to the  
 3-20 legislature. The report must include a statewide strategy that  
 3-21 will ensure all real property owned by the state is adequately  
 3-22 insured.

3-23 SECTION 2. SELECT INTERIM COMMITTEES; STUDY. (a) A Senate  
 3-24 Select Committee on State Real Property Data Collection, Reporting,  
 3-25 and Assessment and a House Select Committee on State Real Property  
 3-26 Data Collection, Reporting, and Assessment are established to,  
 3-27 separately or jointly, study:

3-28 (1) the potential benefits of maintaining a  
 3-29 comprehensive database of all real property owned by the state;  
 3-30 (2) the potential financial loss to the state that  
 3-31 could result from the state owning uninsured and underinsured real  
 3-32 property;  
 3-33 (3) any efficiencies or cost savings potentially  
 3-34 achieved by requiring the General Land Office to submit the annual  
 3-35 report required under Section 31.157, Natural Resources Code, to  
 3-36 the Texas Department of Transportation, the Employees Retirement  
 3-37 System of Texas, and the Teacher Retirement System of Texas;  
 3-38 (4) the potential benefits or burdens, including  
 3-39 administrative burdens, of requiring each state agency and  
 3-40 institution of higher education to report information on the real  
 3-41 property it possesses, at the same time and in a uniform manner, to  
 3-42 a single entity, and how often the information should be reported;  
 3-43 (5) which state agency is best suited to collect  
 3-44 information on all real property owned by the state and the  
 3-45 appropriate method for collecting this information;  
 3-46 (6) the information that is currently reported by  
 3-47 state agencies and institutions of higher education regarding real  
 3-48 property of which agencies and institutions have charge and  
 3-49 control;  
 3-50 (7) the distinction between state agencies and  
 3-51 institutions of higher education that report information on real  
 3-52 property owned by the state as compared to state agencies and  
 3-53 institutions of higher education that collect information for a  
 3-54 report on real property owned by the state;  
 3-55 (8) information determined by the Legislative Budget  
 3-56 Board as necessary for the State Office of Risk Management to  
 3-57 conduct an insurable state asset study to develop a statewide  
 3-58 strategy that will ensure all real property owned by the state is  
 3-59 adequately insured;  
 3-60 (9) how often the State Office of Risk Management  
 3-61 should submit an insurable state asset study to the legislature;  
 3-62 (10) the results of the appraisal required by  
 3-63 Subsection (e) of this section, and the potential loss to the state  
 3-64 by inadequately insuring the Capitol Complex, as defined by Section  
 3-65 443.0071, Government Code; and  
 3-66 (11) other potential ways to ensure that the state is  
 3-67 able to identify, track, and maintain a database of the location,  
 3-68 condition, and replacement value of all real property owned by the  
 3-69 state.

4-1 (b) Not later than November 30, 2015, the lieutenant  
4-2 governor shall appoint five senators to the Senate Select Committee  
4-3 on State Real Property Data Collection, Reporting, and Assessment  
4-4 and designate one senator to serve as the chair, and the speaker of  
4-5 the house of representatives shall appoint five state  
4-6 representatives to the House Select Committee on State Real  
4-7 Property Data Collection, Reporting, and Assessment and select one  
4-8 state representative to serve as the chair.

4-9 (c) The committees established under this section shall  
4-10 convene separately at the call of the chair of the respective  
4-11 committee, or jointly at the call of both chairs. In joint  
4-12 meetings, the chairs of each committee shall act as joint chairs.

4-13 (d) Following consideration of the factors listed in  
4-14 Subsection (a) of this section, the committees established under  
4-15 this section shall jointly adopt recommendations and report in  
4-16 writing any findings and adopted recommendations to the legislature  
4-17 not later than January 13, 2017. The report, at a minimum, must  
4-18 identify a single entity to collect information on all real  
4-19 property owned by the state, including buildings, facilities, and  
4-20 land.

4-21 (e) The committees established under this section shall  
4-22 conduct an appraisal of all or part of the Capitol Complex, as  
4-23 defined by Section 443.0071, Government Code. The appraisal must  
4-24 be completed in a manner that ensures that the committees can comply  
4-25 with the requirements of Subsection (a)(10) of this section. To  
4-26 conduct the appraisal required under this subsection, the  
4-27 committees may:

4-28 (1) use the services of the State Office of Risk  
4-29 Management, including any existing appraisal contracts developed  
4-30 by the office; or

4-31 (2) contract with a state certified or state licensed  
4-32 real estate appraiser in accordance with Subchapter A, Chapter  
4-33 2254, Government Code, and other applicable state procurement  
4-34 practices.

4-35 SECTION 3. EXPIRATION. This Act expires September 1, 2017.

4-36 SECTION 4. EFFECTIVE DATE. This Act takes effect  
4-37 immediately if it receives a vote of two-thirds of all the members  
4-38 elected to each house, as provided by Section 39, Article III, Texas  
4-39 Constitution. If this Act does not receive the vote necessary for  
4-40 immediate effect, this Act takes effect September 1, 2015.

4-41

\* \* \* \* \*