

SUBJECT: Requiring the sale of TDCJ land in Brazoria County

COMMITTEE: Corrections — favorable, without amendment

VOTE: 6 ayes — Madden, Cain, Hunter, Perry, White, Workman
0 nays
3 absent — Allen, Marquez, Parker

WITNESSES: For — Timothy Finley, The Dow Chemical Company; Robert Worley, The Economic Development Alliance for Brazoria Co.; James Heath; (*Registered but did not testify*: Joe Arnold, BASF, The Chemical Company; Hector Rivero, Texas Chemical Council)
Against — None
On — Jerry McGinty, Texas Department of Criminal Justice

DIGEST: HB 2004 would require the Texas Department of Criminal Justice (TDCJ) to sell 2,200 acres of agency land in Brazoria County. The sale would have to occur by December 31, 2011.
The General Land Office would have to negotiate and close the sale using the Natural Resources Code's provisions for real estate transactions authorized by the Legislature.
The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.

SUPPORTERS SAY: HB 2004 would benefit the state by generating about \$2.2 million in general revenue from the sale of the land and would benefit the Brazosport area by supporting the water needs of the petrochemical industry and regional municipalities.
Currently, the land that would be sold under HB 2004 is part of the Ramsey prison unit and used by TDCJ for its agriculture program. However, it is in a strategic location for a freshwater reservoir from the

Brazos River. A reservoir on this spot could be used by Dow Chemical company and other companies and cities in the region. Dow Chemical owns the lot adjacent to the land described by the bill, and has indicated that it would bid on the property and construct a reservoir if it won that bid.

Freshwater is crucial to regional cities and to the petrochemical manufacturing industry in the area. Supporting these industries is important to the Brazosport region because petrochemical manufacturing in this area employs more than 8,000 workers. This industry benefits the state economy.

The reservoir that would be built is necessary even though conservation and other measures are being pursued. No other water users would be harmed by a reservoir in this location because the intake point would be at the last point before the water flowed into the Gulf of Mexico.

The land sale would be conducted under the state's standard rules and procedures for this type of sale. Dow Chemical – and any other bidder – would have to win the land through a bid process that garnered the most revenue possible for the state. The fiscal note estimates that the land would sell for about \$2.2 million, which would go into the General Revenue Fund.

TDCJ would be able to adjust its operations to handle the loss of the agricultural land and to replace any lost products. Inmates who worked in the agricultural operations easily could be reassigned to other jobs within the prison.

**OPPONENTS
SAY:**

The sale of land under HB 2004 would cost the state by negatively impacting TDCJ. The agency uses the 2,200 acres in question for its agricultural operations, including livestock grazing and growing field crops, grain, edible crops, and cotton. The agency would have to replace these items, valued at \$700,000 per year, according to the fiscal note. In addition, the agency would have to reassign the inmates who work in the agricultural operations on the land.

NOTES:

The companion bill, SB 1072 by Jackson, was considered in a public hearing and left pending by the Senate Government Organization Committee on April 4.