

BILL ANALYSIS

Senate Research Center

S.B. 896
By: Shapleigh
Finance
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As Filed

DIGEST

Currently, state law prohibits the use of most state property for non-state purposes. This prohibition prevents most agencies from taking advantage of opportunities to generate non-tax revenue by leasing underused facilities.

Most state offices are used almost exclusively from 8:00 to 5:00, Monday through Friday. Moreover, new practices such as telecommuting, flex-time, and the co-location of agency facilities are reducing overall office space needs. In recent years, the legislature has directed state agencies to limit their amount of office space, which eliminated a significant amount of leased space by consolidating agencies in state-owned offices.

As a result of such efforts, some state facilities now have more idle space during non-business hours. Current law, however, restricts most agencies from making facilities such as meeting rooms, training rooms, and parking facilities available for short-term use by private or public non-state entities, either for free or for a fee.

This bill, incorporating Texas Performance Recommendation CG3, would direct the General Services Commission to conduct a pilot project to open certain state facilities to commercial use at times when they are not needed for state use.

PURPOSE

As proposed, S.B. 896 requires the General Services Commission (commission) to establish a pilot program to develop private, commercial uses for state-owned parking lots and garages in the city of Austin; and requires the commission to prescribe rules relating to short-term leases of space to private tenants.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the General Services Commission under SECTION 2 (Section 2165.205(d), Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 2165E, Government Code, by adding Section 2165.2035, as follows:

Sec. 2165.2035. PILOT PROGRAM. Requires the General Services Commission (commission) to establish a pilot program to develop private, commercial uses for state-owned parking lots and garages in the city of Austin near areas where entertainment businesses are concentrated. Requires the commission to contract with a private vendor to manage the commercial use of state-owned parking lots and garages. Requires money used for a lease under this program to be deposited to the credit of the general revenue fund. Requires the commission, on or before December 1 of each even-numbered year, to submit a report to the legislature and the Legislative Budget Board describing the effectiveness of the pilot program.

SECTION 2. Amends Section 2165.205, Government Code, to require the commission to prescribe rules relating to short-term leases with private tenants. Deletes text prohibiting the commission from

leasing space to a private tenant for use as private office space. Makes conforming changes.

SECTION 3. Amends Section 6165.211, Government Code, to authorize the use of one-half of the money received from a lease under this subchapter, other than a lease under Section 2165.2035, to be used only for building and property services performed by the commission.

SECTION 4. Amends Section 2166.102(c), Government Code, to require the master facilities plan to contain an examination of the location, size, and type of building space that is available for lease to private tenants, and an examination of the extent to which the state maximizes the use of existing buildings by leasing space to private tenants. Makes conforming changes.

SECTION 5. Emergency clause.
Effective date: upon passage.