

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 31, 2003

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2044 by McReynolds (Relating to the powers and duties of the General Land Office and the accounting and disposition of state-owned real property.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would revise and reorganize Chapter 31 of the Natural Resources Code, relating to the asset management duties of the General Land Office (GLO). The bill would add the authority for GLO to charge fees for other services and products not specifically listed in Section 31.064, Natural Resources Code. The bill would require state agencies to report directly to the Texas Historical Commission pertaining to buildings of a certain age rather than go through GLO to report the data.

The bill would require that proceeds from the sale of real property purchased with general revenue be deposited to the credit of the unobligated portion of the general revenue fund. The bill would require a diversion of the mineral ownership of Texas Parks and Wildlife Department (TPWD) lands identified for sale to the Permanent School Fund under management by the GLO.

The bill would exempt certain properties from review in the GLO real property study, including the real property of the Texas Historical Commission, the Alamo, the French Legation, the Governor's Mansion, the State Cemetery, and property administered by the State Preservation Board and highway rights-of-way owned by the Texas Department of Transportation.

The bill would repeal Natural Resources Code 31.152, establishing an asset management division at the GLO. However, the agency would continue to perform the same or similar functions, which could be delegated to another division within the General Land Office. The bill would repeal the following subchapters in Chapter 31, Natural Resources Code: Subchapter F grants relating to improvements on leased property, Subchapter H regarding the use of State Energy Resources, and Subchapter I relating to real estate transactions not authorized by the Legislature.

The bill would release the state's interest in a 35.686 parcel of land. According to the agency, the School Land Board, in consultation with the Veterans' Land Board, would determine an appropriate price for releasing the state's interest. The bill would prohibit the Parks and Wildlife Department from selling land located in a certain county. In addition, the bill provides that the State of Texas shall retain any and all rights to reasonable use of the surface and ground water for mineral development and production purposes.

The bill would take effect immediately upon enactment, assuming that it receives the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2003

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JK, CL, MS