

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 29, 2003

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2249 by Howard (Relating to sale and lease of public school land.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 51 of the Natural Resources Code by making numerous changes to clarify the definition of authority to administer public school lands.

The bill would bring certain General Land Office operations of public school land administration more in line with private practices of real estate collection and foreclosure procedures. It would establish a reinstatement fee, which would be due when a forfeited award was reinstated. The reinstatement fee would be equal to 1.5 percent of all amounts delinquent at the time of the reinstatement. The bill would authorize penalty interest, when specified, on delinquent obligation payments on the sale of public school lands.

In a situation where a bid sale would otherwise be required, the bill would authorize the School Land Board to authorize a tract of land to be sold through a negotiated sale at no less than market value if the board determined a negotiated sale was in the best interest of the Permanent School Fund.

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 significant fiscal implication to units of local government is anticipated.

Source Agencies: 305 General Land Office and Veterans' Land Board, 701 Central Education Agency, 304 Comptroller of Public Accounts

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