

## **BILL ANALYSIS**

C.S.H.B. 534  
By: Smithee  
Higher Education  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

By legislative mandate, land was conveyed to Amarillo College from Texas State Technical College through a Special Warranty Deed in 2002. CSHB 534 allows Amarillo College to lease or convey this property or any portion of the property to any other party. The bill specifies that any proceeds received under a lease or conveyance of the property may only be used to accomplish a state public purpose, which would include furthering the educational purposes of the college. The bill stipulates that possession or ownership of the property automatically reverts to the college if the entity to whom the land is conveyed or leased uses the property for a purpose other than one that serves a state public purpose.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1: Defines "college" as Amarillo College.

SECTION 2: Description of the real property that is the subject of the Special Warranty Deed.

SECTION 3: Authorizes the college to lease or convey the real property described in Section 2, or any portion of that real property to any other party.

SECTION 4: Requires that cash consideration received under a lease or conveyance of the property may only be used to accomplish educational purposes of the college, including furthering the educational purposes of the college.

If the college leases or conveys the real property described by section 2 for consideration other than cash, the college shall enter into an agreement with the party to whom the real property is being leased or conveyed. The agreement requires the party to whom the real property is leased or conveyed to use the property in a manner that serves a state public purpose, and the agreement stipulates that possession of ownership of the real property automatically reverts to the college if the party to whom the real property is leased or conveyed uses the property for a purpose other than one that serves a state purpose.

SECTION 5: Requires that the reversionary interest held by the Texas State Technical College System is released only as to real property conveyed or leased.

SECTION 6: Effective Date.

### **EFFECTIVE DATE**

Upon passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The Committee Substitute adds the words "or leased" to the last sentence in section 5 to specify that the reversionary interest is released when the property is either conveyed or leased.

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