

## **BILL ANALYSIS**

S.B. 1509  
By: Lucio  
Land & Resource Management  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Section 31.0672 of the Natural Resources Code (the "Code") gives the Texas General Land Office (GLO) the authority to directly sell to a political subdivision any real property owned by the state that the legislature has authorized or the governor has approved for sale. A political subdivision is defined by the Code as a municipality, county, public school district, levee improvement district, municipal utility district, or any other special purpose district authorized by state law. "Economic Development Corporations," organized under the Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), perform public functions and, thus, are "state instrumentalities" similar to political subdivisions. Adding Economic Development Corporations under Section 31.0672 would grant the GLO the authority to directly sell to an Economic Development Corporation without broadly expanding the definition of a political subdivision.

The purpose of S.B. 1509 is to amend the Natural Resources Code to allow the sale of certain property to economic development corporations.

### **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**

This bill amends Section 31.0672(a), Natural Resources Code, to authorize the asset management division of the GLO or any other division delegated the duties of the asset management division by the Commissioner of the GLO to directly sell to a development corporation organized under the Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes) (instead of just political subdivisions) any real property owned by the state that the legislature has authorized or the governor has approved for sale under Subchapter E, Chapter 31, Natural Resources Code, if the Commissioner of the GLO determines the sale is in the best interest of the state.

This bill provides an effective date clause for the Act (upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007).

### **EFFECTIVE DATE**

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