

By: Pickett

H.B. No. 1556

A BILL TO BE ENTITLED

AN ACT

relating to the management of certain public land.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 51.073(a), Natural Resources Code, is amended to read as follows:

(a) Before it is sold, the commissioner shall classify and determine the market value of land on which leases have ~~been cancelled or have~~ expired and land forfeited to the state.

SECTION 2. Sections 51.121(a), (b), and (d), Natural Resources Code, are amended to read as follows:

(a) Unsold public school land may be leased for any purpose the commissioner determines is in the best interest of the state under terms and conditions set by the commissioner. Improvements ~~[Commercial improvements]~~ on land under this subsection shall not become the property of the state and shall be taxed in the same manner as other private property.

(b) Improvements ~~[Commercial improvements]~~ on land leased under Subsection (a) ~~[of this section]~~ shall be removed prior to the expiration of the lease unless the commissioner determines it to be in the best interest of the state that removal of the improvements not be required and includes such a provision in the terms and conditions of the lease ~~[a renewal or an extension of the lease has been finalized prior to the expiration of the term of the lease. If commercial improvements are not removed prior to the expiration of~~

1 ~~the lease and if there has been no renewal or extension prior to the~~
2 ~~expiration of the lease, then the commercial improvements on the~~
3 ~~land shall become property of the state].~~

4 (d) In leases granted under this subchapter [~~that are for~~
5 ~~terms of 20 years or more~~], the commissioner may grant the lessee a
6 preference right to purchase the leased premises. In order to grant
7 this preference right, the commissioner must include such a
8 provision in the lease. The provision may provide that the
9 preference right to purchase may be exercised at any time during the
10 term of the lease. If the commissioner does include the preference
11 right to purchase in the lease, the lessee shall have a preference
12 right to purchase the leased premises before the leased premises
13 are made available for sale to any other person. All sales under
14 this subsection must be for a price [~~not less than market value as~~
15 ~~determined by the board~~ [~~an appraiser~~] and under any other terms and
16 conditions that the commissioner deems to be in the best interest of
17 the state. The preference right to purchase granted under this
18 subsection is superior to any other preference right to purchase
19 granted under any other section of this code or under any other law.
20 Nothing in this subsection shall be construed to allow the
21 commissioner to grant a preference right to purchase submerged
22 land.

23 SECTION 3. Section 51.127, Natural Resources Code, is
24 amended to read as follows:

25 Sec. 51.127. RECORDING MEMORANDUM OF LEASE. (a) The [~~After~~
26 ~~the lessee has paid the rent for the land for a year in advance, the~~
27 commissioner shall prepare a descriptive memorandum of the lease at

1 the time the lease is executed and deliver the lease and the
2 memorandum to the lessee [~~clerk of the county in which the land is~~
3 ~~located~~].

4 (b) The lessee [~~When a lease is filed for record, the clerk~~]
5 shall deliver the [~~prepare a~~] memorandum [~~or abstract~~] of the lease
6 to the clerk of the county in which the land is located [~~and shall~~
7 ~~record the memorandum or abstract in a well-bound book or on~~
8 ~~microfilm kept in his office~~].

9 (c) The clerk shall record the memorandum in the county
10 clerk's office [~~or abstract shall contain:~~

- 11 [~~(1) the number of the survey leased,~~
12 [~~(2) the name of the original grantee,~~
13 [~~(3) the amount of land leased,~~
14 [~~(4) the name of the lessee,~~
15 [~~(5) the date of the lease, and~~
16 [~~(6) the term of years the lease is to run~~].

17 (d) On payment of the recording fee [~~required by law~~], the
18 clerk shall deliver the recorded memorandum [~~lease~~] to the lessee.
19 The lessee shall provide to the commissioner a certified copy of the
20 recorded memorandum.

21 [~~(e) Except for the record made under this section, no other~~
22 ~~record of a lease is required.~~]

23 SECTION 4. Section 51.291(a), Natural Resources Code, is
24 amended to read as follows:

25 (a) Except as provided by Subsection (b) [~~of this section~~],
26 the commissioner may execute grants of easements or other interests
27 in property for rights-of-way or access across, through, and under

1 unsold public school land, the portion of the Gulf of Mexico within
2 the jurisdiction of the state, the state-owned riverbeds and beds
3 of navigable streams in the public domain, and all islands,
4 saltwater lakes, bays, inlets, marshes, and reefs owned by the
5 state within tidewater limits for:

6 (1) telephone, telegraph, electric transmission, and
7 powerlines;

8 (2) oil pipelines, including pipelines connecting the
9 onshore storage facilities with the offshore facilities of a
10 deepwater port, as defined by the federal Deepwater Port Act of 1974
11 (33 U.S.C.A. Section 1501 et seq.), gas pipelines, sulphur
12 pipelines, and other electric lines and pipelines of any nature;

13 (3) irrigation canals, laterals, and water pipelines;

14 (4) roads; and

15 (5) any other purpose the commissioner considers to be
16 in the best interest of the state.

17 SECTION 5. Section 51.292, Natural Resources Code, is
18 amended to read as follows:

19 Sec. 51.292. EASEMENTS AND LEASES FOR CERTAIN
20 FACILITIES. The commissioner may execute grants of easements or
21 leases for electric substations, pumping stations, loading racks,
22 and tank farms, and for any other purpose the commissioner
23 determines to be in the best interest of the state, to be located on
24 state land other than land owned by The University of Texas System.

25 SECTION 6. Section 51.295, Natural Resources Code, is
26 amended to read as follows:

27 Sec. 51.295. CONDITIONS FOR EASEMENT. Telephone,

1 telegraph, electric transmission, powerline, and pipeline
2 right-of-way easements and easements or rights-of-way for
3 irrigation canals, laterals, and water pipelines shall be executed
4 on terms to be determined by the commissioner or the board of
5 regents[~~, but no easement for an oil, gas, or sulphur pipeline or a~~
6 ~~telephone, telegraph, electric transmission, or powerline easement~~
7 ~~may be granted that does not provide for the annual privilege fee of~~
8 ~~not less than two and one-half cents a lineal rod a year].~~

9 SECTION 7. Section 51.301(a), Natural Resources Code, is
10 amended to read as follows:

11 (a) Payments under this subchapter that are past due shall
12 bear interest at a rate equal to the rate imposed by the comptroller
13 under Section 111.060, Tax Code, for delinquent payments due the
14 state, except that if the commissioner or the board of regents, as
15 applicable, enters into an agreement with the grantee of the
16 easement or lease specifying a lower rate, the payments bear
17 interest at that lower rate [~~of 10 percent a year~~].

18 SECTION 8. The following provisions of the Natural
19 Resources Code are repealed:

- 20 (1) Section 51.121(c);
21 (2) Section 51.128;
22 (3) Section 51.130;
23 (4) Section 51.294;
24 (5) Section 51.298; and
25 (6) Section 51.301(b).

26 SECTION 9. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2007.