## BILL ANALYSIS

Senate Research Center 81R16893 YDB-D H.B. 3632 By: Geren (Averitt) Natural Resources 5/5/2009 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law provides that all property that is gifted or donated to the state without being designated for a specific agency or purpose becomes part of the Permanent School Fund. The Permanent School Fund is set up to make money for K-12 education and is not always the best repository for property to be held for the "State of Texas." Current law allows the state to accept title to former Superfund sites from the federal government. However, there is no mechanism to dispose of these sites. Current law also allows a special board of review to be convened to establish a plan of development for a state owned property. When the state sells the property and no longer has a financial interest, the board of review is required to be convened for any changes to that development plan. The composition of the special board of review includes the members of the School Land Board for the adoption of development plans and for changes to approved plans.

H.B. 3632 amends current law relating to the authority of the state to acquire, sell, or exchange certain land.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the commissioner of the General Land Office in SECTION 1 (Section 31.065, Natural Resources Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 31.065, Natural Resources Code, by amending Subsections (a) and (c) and adding Subsections (d) and (e), as follows:

(a) Authorizes the commissioner of the General Land Office (commissioner), in the absence of any law to the contrary, if the commissioner, rather than he, determines it to be in the best interest of the state, to accept grants, gifts, devises, or bequests, either absolutely or in trust, of money or real or personal property on behalf of the state. Provides that real property so acquired by the state becomes public free school land unless the person making the grant, gift, devise, or bequest provides that the real property is to be possessed, administered, or used by a particular state agency, board, commission, department, or other particular state entity or provides that it is to be held in some other manner by the state. Makes a nonsubstantive change.

(c) Authorizes the commissioner together with the agency, board, commission, department, or other state entity, if any, designated to possess, administer, or use the real property, if the commissioner determines that the real property acquired by the state by grant, gift, devise, or bequest is not suitable for the purpose for which the grant, gift, devise, or bequest was originally made, to exchange the real property for real property that is suitable for such purposes.

(d) Authorizes the commissioner, if real property acquired by grant, gift, devise, or bequest is not held as part of the permanent school fund or possessed, administered, or used by a particular state agency, to manage that real property or sell or exchange the real property under terms and conditions the commissioner determines to be in the best interest of the state. Requires that real property sold under this subsection be sold in accordance with Section 31.158 (Real Estate Transactions Authorized by Legislature). Requires that proceeds of the sale that are not required for the management of real

property under this subsection be deposited in the Texas farm and ranch lands conservation fund established under Chapter 183 (Conservation Easements). Authorizes real property acquired under this subsection to be dedicated by the commissioner to any state agency, board, commission, political subdivision, or other governmental entity of this state, or the federal government, for the benefit and use of the public in exchange for nonmonetary consideration, if the commissioner determines that the exchange is in the best interest of the state.

(e) Authorizes the commissioner to adopt rules necessary to implement this section.

SECTION 2. Amends Section 31.066, Natural Resources Code, by amending Subsections (a) and (c) and adding Subsection (d), as follows:

(a) Authorizes the commissioner, rather than the land office, if it is necessary for the United States government to acquire real property in this state to conduct remedial action at the site listed on the National Priorities List under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), to accept transfer on behalf of the state of the title and interest in the real property from the United States government. Makes a conforming change.

(c) Makes a conforming change.

(d) Authorizes the commissioner to sell any title or interest acquired by the state under this section in accordance with Section 31.158. Requires that proceeds of the sale be deposited in the Texas farm and ranch lands conservation fund established under Chapter 183.

SECTION 3. Amends Section 31.167, Natural Resources Code, by amending Subsection (c) and adding Subsections (d) and (e), as follows:

(c) Provides that revisions to the development plan that are requested after the later of the 10th anniversary of the date on which the development plan was promulgated by the special board of review or the date on which the state no longer holds a financial or property interest in the real property subject to the plan are governed by local development policies and procedures.

(d) Requires that the composition of any future special board of review called to consider revision of that order, after issuance of an order establishing a development plan for real property that is not part of the permanent school fund or in which the permanent school fund does not have a financial interest, consist of:

(1) the presiding officer of the governing board of the agency or institution possessing the real property of the presiding officer's designated representative;

(2) two members who are employed by the agency or institution possessing the real property, appointed by the presiding officer of the governing board of the agency or institution or the presiding officer's designated representative;

(3) the county judge of the county in which the real property is located; and

(4) if the real property is located within the corporate boundaries or extraterritorial jurisdiction of a municipality, the mayor of the municipality.

(e) Provides that the member described by Subsection (d)(1) serves as the presiding officer of the special board of review.

SECTION 4. Amends Section 183.058(a), Natural Resources Code, to provide that the Texas farm and ranch lands conservation fund consists of certain funds, including proceeds of the sale of real property under Section 31.065(d) that are not required for the management of real property under that subsection; and proceeds of the sale of real property under Section 31.066(d). Makes nonsubstantive changes.

SECTION 5. Effective date: upon passage or September 1, 2009.