

## **BILL ANALYSIS**

H.B. 267  
By: Hilderbran  
Land & Resource Management  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The board of regents of The University of Texas System has management and control of the lands set aside and appropriated to, or acquired by, the permanent university fund. The board has authority to execute grants of easements or other interests in property for rights-of-way or access across land that belongs to the state but is dedicated to the support and maintenance of the university system for certain purposes.

A recent increase in utility line easement rates has resulted in several electric cooperatives claiming that the rates are not fair and reasonable. The easement rates are based on a recent appraisal study that lists many comparables that set the market trends for easement rates in Texas. Interested parties represent that the appraisal study provides that the rates for utility line easements charged on university lands fall within the overall trends of the market but are at the higher end, and electric cooperatives fear that easement rates will continue to rise without limit. Currently, an easement holder is limited in seeking relief if it believes that a rate does not represent the fair market value of the interests being sought. Interested parties contend that establishing an appeals process for easement holders across university lands will provide these holders with an avenue to contest rates believed to be unjust or unfair. H.B. 267 seeks a change relating to rate and damage schedules governing certain easements or other interests in land of The University of Texas System.

### **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**

H.B. 267 amends the Education Code to require the board of regents of The University of Texas System to establish procedures by which a person seeking an easement or other interest under provisions relating to easements on university land may seek relief from a rate or damage schedule that the person believes does not represent the fair market value of the interest being sought.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.