

## **BILL ANALYSIS**

H.B. 2690  
By: Deshotel  
County Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Local governmental entities can exercise the right to sell or lease certain real property as well as donate land to the federal government for projects that serve a public purpose, but are limited in their ability to convey real property to other local governmental entities at or below fair market value in order to a serve public purpose. H.B. 2690 seeks to address this issue by establishing provisions relating to authorizing local governments to convey real property interests to other local governments for less than fair market value if conveyed to serve a 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**

H.B. 2690 amends the Local Government Code to authorize a political subdivision of the state to donate or sell for less than fair market value a designated parcel of land or an interest in real property to another political subdivision if the land or interest will be used by the political subdivision to which it is donated or sold in carrying out a purpose that benefits the public interest of the donating or selling political subdivision, the donation or sale of the land or interest is made under terms that effect and maintain the public purpose for which the donation or sale is made, and the title and right to possession of the land or interest revert to the donating or selling political subdivision if the acquiring political subdivision ceases to use the land or interest in carrying out the public purpose. The bill makes certain notice and bidding requirements relating to the sale or exchange of land owned by a political subdivision inapplicable to such a donation or sale. The bill makes a conforming change.

### **EFFECTIVE DATE**

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