

BILL ANALYSIS

S.B. 1058
By: Nichols
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Lufkin State Supported Living Center (Lufkin SSLC) owns and operates a small lift station. Wastewater from Lufkin SSLC flows through this lift station to the Angelina and Neches River Authority (ANRA) wastewater treatment plant. The lift station is located on .08 acre of land located between the main campus and the campus housing area.

The cost of maintaining this facility has averaged \$28,000 over the last five years. Because Lufkin SSLC discharges a higher-than-normal amount of solids into the septic system (e.g., wash clothes, paper hand towels, et cetera), additional upgrades are needed to ensure continued operation. In June 2010, ANRA proposed installing a bar screen cleaner at the cost of approximately \$180,000. This cost is significantly higher than the value of the property and lift station, and statutes prohibit ANRA from issuing debt to perform capital improvements on property owned by another entity.

S.B. 1058 transfers the lift station from Lufkin SSLC to ANRA. The total value of property transferred is approximately \$80,000. It will benefit both parties by resolving the solids issue, reducing costs for Lufkin SSLC over the long term, and moving the responsibility for the lift station's operation to professional wastewater operators.

As proposed, S.B. 1058 amends current law relating to the transfer of certain state property from the Department of Aging and Disability Services to the Angelina and Neches River Authority.

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

SECTION 1. (a) Requires the Department of Aging and Disability Services (DADS) to transfer to the Angelina and Neches River Authority (ANRA) the real property described by Section 2 of this Act including improvements to the property, and excluding the mineral interests in and under the property.

(b) Requires consideration for the transfer authorized by Subsection (a) of this section to be in the form of an agreement between DADS and ANRA that requires ANRA to use the property in a manner that primarily promotes a public purpose of the state by using the property to manage water resources.

(c) Provides that ownership of the property automatically reverts to DADS if ANRA fails to use the property in the manner described by an agreement under Subsection (b) of this section for more than 180 continuous days.

(d) Requires DADS to transfer the property by a deed that:

(1) describes the property to be transferred by metes and bounds;

(2) is without warranties regarding covenants of title;

(3) includes a provision that:

(A) requires ANRA to use the property in a manner that primarily promotes a public purpose of the state by using the property to manage water resources; and

(B) indicates that ownership of the property automatically reverts to DADS if ANRA fails to use the property as described by Subsection (b) of this section for more than 180 continuous days; and

(4) reserves the state's interest in and right to remove all oil, gas, and other minerals in and under the real property described by Section 2 of this Act.

(e) Provides that Sections 533.084 (Management of Surplus Real Property) and 533.087 (Lease of Real Property), Health and Safety Code, and Sections 31.1571 (Governor's Report) and 31.158 (Real Estate Transactions Authorized by Legislature), Natural Resources Code, do not apply to a transfer of real property authorized by this Act.

SECTION 2. Requires DADS to transfer to ANRA the real property set forth in this section.

SECTION 3. Provides for the effective date of this Act.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.