

BILL ANALYSIS

C.S.H.B. 2610
By: Guillen
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that the 50-year maximum term for a lease of the surface of land in certain navigation districts may serve as a disincentive for potential homebuyers. C.S.H.B. 2610 seeks to address this issue by providing for a longer lease of the surface of such land for residential purposes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 2610 amends the Water Code to authorize certain navigation districts that operate a port in Texas that is wholly located in a county that borders the Gulf of Mexico and that is adjacent to a county that contains an international border and borders the Gulf of Mexico to lease the surface of land for not more than 99 years or to extend a lease to a period not to exceed 99 years only if the following conditions are met: the lease conveys an interest in the surface of the land for residential purposes only; at the time the lease will be entered into or extended, the district has not less than 50 leases in effect that convey an interest in the land surface for residential purposes only; and any part of the land owned by the district is subdivided into lots intended for residential use.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2610 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 60.039, Water Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) Except as provided by Subsection (c), the [The] commission may lease the surface of land for not more than 50 years by the entry of an order on the minutes of the commission and the execution of a lease in the manner provided by the original order. [The lease may not be extended beyond the 50-year period by renewal, extension, or otherwise.]

(c) The district may lease the surface of land for not more than 99 years or may extend a lease to a period not to exceed 99 years only if:

(1) the lease conveys an interest in the surface of the land for residential purposes only;

(2) at the time the lease will be entered into or extended, the district has not less than 50 leases in effect that convey an interest in the land surface for residential purposes only; and

(3) any part of the land owned by the district is subdivided into lots intended for residential use.

SECTION 2. This Act takes effect September 1, 2017.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 60.039, Water Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) Except as provided by Subsection (c), the [The] commission may lease the surface of land for not more than 50 years by the entry of an order on the minutes of the commission and the execution of a lease in the manner provided by the original order. The lease may not be extended beyond the 50-year period by renewal, extension, or otherwise.

(c) This subsection applies only to a district that operates a port in this state that is wholly located in a county that borders the Gulf of Mexico and that is adjacent to a county that contains an international border and borders the Gulf of Mexico.

The district may lease the surface of land for not more than 99 years or may extend a lease to a period not to exceed 99 years only if:

(1) the lease conveys an interest in the surface of the land for residential purposes only;

(2) at the time the lease will be entered into or extended, the district has not less than 50 leases in effect that convey an interest in the land surface for residential purposes only; and

(3) any part of the land owned by the district is subdivided into lots intended for residential use.

SECTION 2. Same as introduced version.