

By: Faircloth

H.B. No. 2499

Substitute the following for H.B. No. 2499:

By: Herrero

C.S.H.B. No. 2499

A BILL TO BE ENTITLED

AN ACT

relating to the disposition of real property interests by navigation districts and port authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 60.038, Water Code, is amended to read as follows:

Sec. 60.038. DISPOSITION [~~SALE OR LEASE~~] OF INTERESTS IN REAL PROPERTY [~~LAND~~]. (a) A district may sell, exchange, or lease real property or any interest in real property [~~all or any part of land~~] owned by it, whether the real property was [~~land is~~] acquired by gift or purchase, in settlement of any litigation, controversy, or claim in behalf of the district, or in any other manner, except that lands or flats heretofore purchased from the State of Texas under Article 8225, Revised Civil Statutes of Texas, 1925, or granted by the State of Texas in any general or special act, may be sold only to the State of Texas or exchanged with the State of Texas for other lands or exchanged for adjacent littoral land as authorized by Section 61.117 [~~of this code~~]. The district may impose restrictions on the development, use, and transfer of any real property or interest in real property in connection with its sale or exchange under this section.

(b) Except as provided by Subsection (d), before [~~Before~~] a district may sell or exchange real property [~~land~~], the commission shall determine by resolution that the land is no longer needed for

1 use by the district in connection with the development of a
2 navigation project.

3 (c) Except as provided by Subsection (d), (e), or (f), a
4 sale [Sale] or exchange [lease] of real property [land] shall be
5 made as provided by Sections 60.040-60.042 [60.039-60.042 of this
6 code].

7 (d) A district may donate, exchange, convey, sell, or lease
8 land, improvements, easements, or any other interests in real
9 property to an electric utility, as that term is defined by Section
10 31.002, Utilities Code, to promote a public purpose related to the
11 development of a district. The district shall determine the terms
12 and conditions of the transaction so as to:

- 13 (1) achieve the public purpose; and
14 (2) be consistent with the requirements of Title 2,
15 Utilities Code.

16 (e) A district may donate, exchange, convey, sell, or lease
17 a real property interest under Subsection (d) for less than its fair
18 market value and without complying with the notice and bidding
19 requirements of Sections 60.040-60.042.

20 (f) Narrow strips of real property resulting from boundary
21 or surveying conflicts or similar causes, or from insubstantial
22 encroachments by abutting real property owners, or real property of
23 larger configuration that has been subject to encroachments by
24 abutting real property owners for more than 25 years may be
25 abandoned, released, exchanged, or transferred to such abutting
26 owners on terms and conditions considered appropriate or
27 advantageous to the district. A district may convey real property

1 under this subsection for less than its fair market value and
2 without complying with the notice and bidding requirements of
3 Sections 60.040-60.042.

4 (g) A district may grant easements over, on, or under its
5 real property on terms and conditions the commission determines to
6 be advantageous to the district.

7 (h) The authority granted to a district by this section to
8 dispose of interests in real property is in addition to any
9 authority granted by Chapter 272, Local Government Code.

10 (i) Nothing in this section may be construed to affect the
11 application by the Parks and Wildlife Department of a statute or
12 rule governing the taking, conservation, or protection of marine
13 wildlife, including the authority of the department to issue oyster
14 leases to individuals and private entities for the purpose of
15 bedding, harvesting, and selling oysters consistent with Sections
16 1.011(d) and 12.001(a), Parks and Wildlife Code, and Chapter 76,
17 Parks and Wildlife Code.

18 SECTION 2. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2017.