

## **BILL ANALYSIS**

Senate Research Center  
88R22097 KBB-D

H.B. 3436  
By: Rogers (King)  
Business & Commerce  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 3436 requires the Texas Military Department (TMD) to determine the fair market value of certain real property in Palo Pinto County described by the bill that was transferred by the state to the City of Mineral Wells in 1953 to be used as a fair, livestock show, and rodeo ground. The bill requires TMD also to determine the present fair market value of interests retained by the state in buildings, structures, and other property located or installed on the transferred property. The bill authorizes these fair market values to be established by an independent appraisal obtained by TMD or by another means determined reasonable by TMD if an independent appraisal of those values is not feasible.

H.B. 3436 amends current law relating to the authority of the Texas Military Department to negotiate the release of a reversionary interest and certain other interests of the state in certain property in Palo Pinto County owned by the Palo Pinto County Livestock Association.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. (a) Requires the Texas Military Department (TMD) to determine the fair market value of the property described in Section 2 of this Act on the date the property was transferred by the state to the City of Mineral Wells as provided by S.B. 197, Acts of the 53rd Legislature, Regular Session, 1953. Requires TMD also to determine the present fair market value of interests retained by the state in buildings, structures, and other property located or installed on the transferred property as required by that Act. Authorizes the fair market value of the transferred property and other property interests to be established by an independent appraisal obtained by TMD or by another means determined reasonable by TMD if an independent appraisal of that value is not feasible.

(b) Requires TMD, upon determining the fair market value of the property described in Section 2 of this Act and any buildings, structures, or other property located or installed on that property, as provided by Subsection (a) of this section, to negotiate and close a transaction with the Palo Pinto County Livestock Association for the release of the state's reversionary interest in the property described by Section 2 of this Act and any other interest of the state in buildings, structures, or other property located or installed on that property.

(c) Requires TMD, in negotiating and closing the transaction under Subsection (b) of this section, to determine whether the state has received as consideration for the state's transfer of the property described by Section 2 of this Act the fair market value of the property, as determined under Subsection (a) of this section, through the property's use since its transfer for a fair, livestock show, and rodeo ground in furtherance of a public purpose of this state, as provided by covenants imposed in consideration of the transfer. Requires TMD also to consider whether the state has received sufficient additional consideration through that use to equal the present fair market value of buildings,

structures, or other property located or installed on the property described by Section 2 of this Act to which the state retains title.

(d) Requires TMD, if TMD determines that the state has received the fair market value of the property described by Section 2 of this Act and any buildings, structures, or other property located or installed on that property, as determined under Subsection (a) of this section, to release by appropriate instrument the state's reversionary interest in the property described by Section 2 of this Act and the state's interest in any buildings, structures, or other property located or installed on that property. Authorizes TMD, otherwise, to release those interests in exchange for sufficient monetary consideration, as determined by TMB, to provide the remaining value owed to the state for the state's transfer of the property described by Section 2 of this Act and for any buildings, structures, or other property installed on that property.

SECTION 2. Provides that the real property to which Section 1 of this Act applies is situated in Palo Pinto County, Texas, and sets forth the boundaries of the property.

SECTION 3. Effective date: upon passage or September 1, 2023.