

## **BILL ANALYSIS**

Senate Research Center

H.B. 770  
By: Haggerty (Shapleigh)  
Natural Resources  
5-12-97  
Engrossed

### **DIGEST**

Currently, Texas law provides for the sale and other disposition of lands of the public domain dedicated to the permanent school fund. These statutes include a requirement that the fair market value must be received for any land sold, which has been interpreted to mean a cash consideration. The School Land Board (board) has the authority to subdivide lands in order to facilitate land sales, but the board does not have the authority to dedicate land, by plot or deed, for public use unless it receives fair market value. This bill would authorize the board to dedicate permanent school fund land for public use in exchange for nonmonetary consideration.

### **PURPOSE**

As proposed, H.B. 770 authorizes the School Land Board to dedicate permanent school fund land for public use in exchange for nonmonetary consideration.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Provides that according to the provisions of this Act, there is hereby transferred to the Texas Parks and Wildlife Department (TPWD) all of the interest of the permanent school fund in the surface and all of the oil, gas, and other minerals in that portion of the A.G. McMath Survey No. 298 in El Paso County, Texas, included within the boundaries of the Franklin Mountains State Park and subject to the provisions of Section 2, Chapter 383, Acts of the 71st Legislature, Regular Session, 1989. Provides that there is further transferred to TPWD all of the interest of the permanent school fund in all of the oil, gas, and other minerals in certain tracts to the extent that these tracts are included within Franklin Mountains State Park in El Paso County, Texas (as the boundaries of the park are established in Section 2, Chapter 736, Acts of the 66th Legislature, 1979, as amended by Section 2, Chapter 860, Acts of the 67th Legislature, Regular Session, 1981, and Sections 1 and 2, Chapter 383, Acts of the 71st Legislature, Regular Session, 1989).

SECTION 2. Provides that in compensation to the permanent school fund for the surface and mineral interests to TPWD as described in Section 1 of this Act, certain interests and tracts of TPWD are transferred to the permanent school fund, to be managed in the same manner as other permanent school fund property.

SECTION 3. Provides that the legislature finds that the fair market values of the interests transferred into and out of the permanent school fund pursuant to Sections 1 and 2 of this Act are equivalent.

SECTION 4. Provides that the transfer of land to the permanent school fund described in Section 2 of this Act removes the land from the state park, wildlife management area, or scientific area and changes the legal boundary of the affected state park, wildlife management area, or scientific area accordingly.

SECTION 5. Requires the General Land Office, the School Land Board (board), and TPWD to develop a plan for the removal or conveyance to TPWD pursuant to one or more sales, exchanges,

or other transfers of the surface estate in any real property dedicated to the permanent school fund that is located within the boundaries of any tract managed by TPWD. Requires the plan to provide for fair market value compensation, in land or money, to the permanent school fund. Requires fair market value to be determined by an appraisal mutually agreed to by the board. Prohibits mineral interests and submerged lands or tidelands from being transferred under this section.

SECTION 6. Emergency clause.  
Effective date: upon passage.