

## **BILL ANALYSIS**

Senate Research Center  
76R10558 PAM-D

C.S.S.B. 1667  
By: Jackson  
Natural Resources  
4/8/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, under Texas law, a municipality may authorize a franchise to operate certain properties for a period of 75 years, and is prohibited from selling certain properties used for the purpose of operating the properties located on certain state-owned lands. This bill would authorize a municipality to lease or sell property used for the purpose of operating certain properties located on certain state-owned lands and authorize a franchise to operate certain properties for a period of 99 years.

### **PURPOSE**

As proposed, C.S.S.B. 1667 authorizes a municipality to lease or sell property used for the purpose of operating certain properties located on certain state-owned lands.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 307.042, Local Government Code, by amending Subsection (c) and adding Subsection (e), to authorize a municipality, by the terms of a mortgage, to grant to the purchaser under sale or foreclosure a franchise to operate the properties purchased for a period of not more than 99 years, rather than 75 years, after the purchase, as additional security for the bonds, notes, or warrants. Authorizes a municipality to sell the property described by Subsection (b) if no bonded indebtedness remains outstanding. Authorizes the General Land Office to grant to the purchaser a lease of the state-owned tideland, water, and bed beneath the property or, if necessary, a larger area for a period of not more than 99 years after the purchase, if the municipality sells the property. Provides that the purchaser and the purchaser's heirs, successors, and assigns have the same right of use and occupancy to the state-owned tideland, water, and bed as is granted to the municipality under this chapter. Provides that on termination of that period or cessation of use of the property for that purpose, the right of use and occupancy reverts to the municipality.

SECTION 2. Emergency clause.  
Effective date: upon passage.

### **SUMMARY OF COMMITTEE CHANGES**

#### SECTION 1.

Amends Section 307.042(d), Local Government Code, to authorize the General Land Office to grant to the purchaser a lease of the state-owned tideland, water, and bed beneath the property or, if necessary, a larger area, rather than a franchise to operate properties, for a period of not more than 99 years after the purchase, if the municipality sells the property.