

BILL ANALYSIS

Senate Research Center
77R5333 PAM-D

S.B. 673
By: Jackson
Natural Resources
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As Filed

DIGEST AND PURPOSE

Currently, 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. S.B. 673 authorizes a municipality to lease or sell property used for the purpose of operating certain properties located on certain state-owned lands and authorizes a franchise to operate certain properties for a period of 99 years.

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. Amends Section 307.042, Local Government Code, by amending Subsection (c) and adding Subsection (e), as follows:

(c) Changes the period in which a purchaser of certain properties may operate the properties from 75 years to 99 years after the purchase.

(e) Authorizes the municipality to sell the property described by Subsection (b) if no bonded indebtedness remains outstanding. Authorizes the General Land Office, if the municipality sells the property, 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. 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 on cessation of use of the property for that purpose, the right of use and occupancy reverts to the municipality.

SECTION 2. Effective date: upon passage or September 1, 2001.