

## **BILL ANALYSIS**

Senate Research Center

S.B. 638  
By: Nichols  
Transportation  
7/1/2015  
Enrolled

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

The purpose of this legislation is to allow Shepherd Independent School District (ISD) to acquire 12.0568 acres of Texas Department of Transportation (TxDOT) property at historical value. According to the San Jacinto Public Records, the property is currently owned by the State of Texas. TxDOT purchased the property in 1951.

TxDOT does not plan to expand this property. The property is currently not being utilized by TxDOT and currently TxDOT does not have any plans for future usage.

Shepherd ISD may use the property transferred under this Act only for a purpose that benefits the public interest of the state. If Shepherd ISD uses the property for any purpose other than a purpose that benefits the public interest of the state, the Shepherd ISD shall pay to TxDOT an amount equal to the fair market value of the property on the date Shepherd ISD begins using the property for any other than a purpose that benefits the public interest of the state, less a certain amount Shepherd ISD paid TxDOT on the effective date of the transfer.

S.B. 638 amends current law relating to the transfer of certain state property from the Texas Department of Transportation to the Shepherd Independent School District and requires the payment of certain transaction fees.

### **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 Department of Transportation (TxDOT), not later than September 30, 2015, to transfer to the Shepherd Independent School District (ISD) the real property described by Subsection (f) of this section.

(b) Authorizes the Shepherd ISD to use the property transferred under this Act only for a purpose that benefits the public interest of the state. Requires the Shepherd ISD, if the Shepherd ISD uses the property for any purpose other than a purpose that benefits the public interest of the state, to pay to TxDOT an amount equal to the fair market value of the property on the date the Shepherd ISD begins using the property for the purpose other than a purpose that benefits the public interest of the state, less the amount that the Shepherd ISD paid to TxDOT under Subsection (c) of this section.

(c) Requires the Shepherd ISD, on the effective date of the transfer authorized under Subsection (a) of this section, to pay an amount to reimburse TxDOT for TxDOT's actual costs to acquire the property. Requires that the amount, if TxDOT cannot determine that amount, be determined based on the average historical property acquisition values for property located in proximity to the property described by Subsection (f) of this section on the date of original acquisition of the property by TxDOT. Requires that money received by TxDOT under this section be deposited in the state highway fund and used in the TxDOT district in which the property is located.

(d) Requires TxDOT to transfer the property by an appropriate instrument of transfer. Requires that the instrument of transfer:

(1) provide that:

(A) the Shepherd ISD may use the property only for a purpose that benefits the public interest of the state; or

(B) if the Shepherd ISD uses the property for any purpose other than a purpose that benefits the public interest of the state, the Shepherd ISD shall pay to TxDOT an amount equal to the fair market value of the property on the date the Shepherd ISD begins using the property for the purpose other than a purpose that benefits the public interest of the state, less the amount paid to TxDOT under Subsection (c) of this section;

(2) retain for the State of Texas:

(A) a 0.2583 acre tower site; and

(B) a 0.1570 acre access easement to the tower site; and

(3) describe the property to be transferred by metes and bounds.

(e) Requires TxDOT to retain custody of the instrument of transfer after the instrument of transfer is filed in the real property records of San Jacinto County.

(f) Sets forth the boundaries of the real property referred to in this section.

(g) Requires the Shepherd ISD to pay any transaction fees resulting from the transfer of property under this Act.

SECTION 2. Effective date: upon passage or September 1, 2015.