

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1165
By: Armbrister
Natural Resources
4/25/2005
Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

About 50 years ago, there was a conveyance to the City of Aransas Pass from the General Land Office (GLO). The current GLO administration denies the validity of this conveyance. The purpose of S.B. 1165 is to trade certain allegedly state-owned land in and near Conn Brown Harbor in Aransas, San Patricio, and Nueces counties for land owned by the City of Aransas Pass.

C.S.S.B. 1165 clarifies the misunderstanding between the City of Aransas Pass and the GLO regarding the ownership of this property. It clearly defines the boundaries and ownership of the disputed property.

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. Authorizes the City of Aransas Pass to acquire the right, title, and interest of the State of Texas in and to the real property described by Section 5 in exchange for conveyance to the State of Texas, for the benefit of the Permanent School Fund of the real property described by Section 6 of this Act; provided, however, that the State of Texas, is required to retain any and all oil, gas, and other minerals and mineral royalty rights in and to the property described in Section 5 of this Act, for the benefit of the Permanent School Fund, and that the State of Texas waives its right to use the surface of such property for certain purposes; unless the City of Aransas Pass and the commissioner of the General Land Office (commissioner) mutually agree not later than August 31, 2009 to enter into a lease agreement affecting the property described in Section 5 of this Act.

SECTION 2. Requires the commissioner to convey on behalf of the state the state's right, title, and interest in and to the use of the property described by Section 5, of this Act, subject to the mineral and royalty reservation set forth in Section 1 of this Act, simultaneously with the conveyance of real property described by Section 6 of this Act, together with the execution of a quitclaim deed of any interest to the City of Aransas Pass in and to a specific area of land described in Section 5 of this Act, to the General Land Office (GLO) for the use and benefit of the Permanent School Fund, and solely if necessary under the terms of this Act.

SECTION 3. Provides that the legislature finds that the real property described in Section 5 has a fair market value equal to the fair market value of the real property described by Section 6. Requires the commissioner to request the opinion of the attorney general on the question of whether the tracts described in Sections 5 and 6 may be conveyed in the manner prescribed by Sections 1 and 2 of this Act in compliance with applicable law and the Constitution of the State of Texas. Requires both the City of Aransas Pass and the GLO to have the opportunity to bring factual and legal arguments relevant to such question to the attention of the attorney general.

SECTION 4. Requires the commissioner and the City of Aransas Pass to follow the procedures outlined in this Section, solely in the event that the attorney general concludes that the tracts described in Sections 5 and 6 of this Act cannot, under applicable law and the Constitution of the State of Texas, be conveyed in the manner described by Sections 1 and 2 of this Act.

Requires the tracts described in Sections 5 and 6 of this Act to be appraised by an appraiser acceptable to both the City of Aransas Pass and the commissioner, with the cost of such appraisals paid by GLO.

Requires the City of Aransas Pass and the commissioner to submit the question of market value to a mutually acceptable mediator to determine the market value of the tracts, if both parties cannot agree on the market value. Requires the mediator's determination of the market value to be binding on both parties. Sets forth measures for resolution in the event that the tract described in Section 5 is determined to exceed the market value of the tract described in Section 6 of this Act.

SECTION 5. Sets forth the real property referred to in Sections 1 and 2 of this Act.

SECTION 6. Sets forth the description of the real property of the land and sea bottom below high tide referred to in Section 1 and 2.

SECTION 7. Requires this Act to only apply to lands granted pursuant to special awards issued by the commissioner prior to January 1, 1945.

SECTION 8. Requires this Act to expire and be void if the appraisals, surveys, conveyances, and transactions contemplated by this Act do not occur prior to August 31, 2009.

SECTION 9. Effective date: upon passage or September 1, 2005.