

SUBJECT: Allowing certain local governments to accept conveyed property ownership

COMMITTEE: County Affairs — favorable, with amendment

VOTE: 5 ayes — R. Lewis, Chisum, G. Lewis, Longoria, Wohlgemuth  
0 nays  
4 absent — Gutierrez, Hamric, Kamel, Muñoz

SENATE VOTE: On final passage, March 21 — voice vote

WITNESSES: For — Neil Caldwell, Jim Walter Homes; Sam Seale, Texas Association of Counties; Craig Pardue, Texas County Judges and Commissioner's Association.  
Against — None

BACKGROUND: Current law allows counties and municipalities to acquire land within their jurisdiction by a lease or in a fee simple title.

DIGEST: SB 748, as amended, would allow a local government accept property ownership in its jurisdiction if:

- a grantor who acquired the property title from a debtor in default conveyed property as a gift; and
- the grantor had sent notice by registered mail of intent to convey the property to the county, municipal or secretary clerk before the 90th day the grantor conveys the property and grants the local government unencumbered title to the property.

A county, municipal or secretary clerk would be required to place the notice of the intended conveyance on the next meeting of the local governing body's agenda.

A grantor would be allowed to convey the property title to a local government upon immediate approval by the governing body or after the

90th day after notification of the intended conveyance by the grantor, if the local governing body failed to notify the grantor of its refusal to accept ownership of conveyed property.

A local government would be prohibited from accepting conveyed property that contained an unabated nuisance or if ownership would subject the local government to liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Chapter 361 of the Health and Safety Code or under Chapter 261 of the Water Code.

A local government that accepted property would be allowed to retain or dispose property as authorized by law.

**SUPPORTERS  
SAY:**

Many times homebuilders find themselves in possession of lots or other land in a subdivision due to a defaulted loan, perhaps containing a structure such as a manufactured home. As a result, homebuilders have to bear the responsibility of maintaining numerous pieces of property and paying the taxes.

SB 748 would allow local governments accept unused property for whatever purpose or use. Local governments would also benefit from this gift of land because many times it costs them more to administer the collection of taxes on the property than what the property taxes bring in.

The presence of an unabated nuisance or liability would prohibit local governments from accepting the land gift.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee amendment would delete a provision that would allowed a grantor to unilaterally convey the property title to the local government after the 90th day under certain conditions. The amendment would require the county and municipal clerk and city secretary to place the notice of intended conveyance on the governing body's agenda within 60 days, with a representative required to address questions on the property at the called meeting. The local government would be required to accept or reject the proposed conveyance within 90 days of the meeting.