

## **BILL ANALYSIS**

Senate Research Center  
77R9387 ESH-F

H.B. 3558  
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Education  
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Engrossed

### **DIGEST AND PURPOSE**

Currently, the School Land Board (board) is responsible for the management and development of all real property owned by the permanent school fund (PSF). The board is authorized to dispose of real property owned by PSF and to invest those proceeds in properties with greater potential to generate revenue. H.B. 3558 authorizes the board to use the proceeds from future mineral leases and royalties available to the board for the acquisition of additional real property and mineral interests on behalf of PSF.

### **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 Sections 51.401(a) and (c)-(e), Natural Resources Code, as follows:

- (a) Authorizes the School Land Board (board) to designate funds, rather than money, received from the sale of permanent school fund (PSF), rather than public school, land under this chapter and the proceeds of future mineral leases and royalties generated from existing and future active leases of permanent school fund mineral interests received under Chapters 52 and 53 of this code for deposit in a special fund account of PSF in the state treasury to be used by the board to acquire fee or lesser interests in real property, including mineral and royalty interests, for the use and benefit of PSF, as provided by Section 51.402 of this subchapter.
- (c) Replaces the word "land" with "interests in real property." Requires money received from the lease of minerals and royalties derived from active leases and designated for the acquisition of interests in real property under this subchapter to be used by the board by a certain date.
- (d) Makes a nonsubstantive change.
- (e) Removes reference to Section 403.094, Government Code.

SECTION 2. Amends the heading to Section 51.402, Natural Resources Code, to read as follows:

Sec. 401.402. ACQUISITION OF INTERESTS IN REAL PROPERTY.

SECTION 3. Amends Section 51.402(a), Natural Resources Code, to authorize the board to use the money designated under Section 51.401 of this subchapter to acquire mineral and royalty interests for the use and benefit of PSF.

SECTION 4. Effective date: September 1, 2001.