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FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/06

SPONSOR García, M.P. LAST UPDATED _____ HB 67

SHORT TITLE Research State-Owned Property on Land Grants SB _____

ANALYST Medina

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
\$35.0		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 164 except in the amount of the appropriation
 Relates to Senate Joint Memorial 10 of the Second Session of the Forty-Sixth Legislature

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Commission of Public Records (CPR)

SUMMARY

Synopsis of Bill

House Bill 67 appropriates \$35.0 for expenditure in FY06 and FY07 from the general fund to the State Commission of Public Records for the purpose of continuing a survey of state-owned property located within the former common lands of community land grants, to research the chain of title of those properties, and to provide the Legislature with an estimate of the cost of completing the research project. The bill

FISCAL IMPLICATIONS

The appropriation of \$35.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

The Commission of Public Records received an appropriation of \$33.3 in Senate Bill 190 (Forty-Seventh Legislature, First Session) to continue the initial survey and begin research on chain of

title for state-owned properties within selected land grants. According to the agency, that appropriation will not be sufficient to complete the work. The Commission has no resources without additional funding to continue the work beyond the second phase supported through last year's Senate Bill 190.

SIGNIFICANT ISSUES

This bill is a Land Grant Committee bill.

ADMINISTRATIVE IMPLICATIONS

The Commission states that it does not have the staffing or budgetary resources to continue the research and chain of title work beyond FY2006 without additional funding. The agency is using the existing appropriation to contract with a former State Historian familiar with the land grant records held by the agency as well as other supporting records to continue the research and documentation of the state-owned properties and to research chain of title for those within the selected land grants. It will also contract with professional abstractors to verify the documentation and certify the chains of title. The Commission would propose to use the appropriation contained in this bill to continue similar contracts to address the remaining properties.

RELATIONSHIP

Senate Joint Memorial 10 of the Second Session of the Forty-Sixth Legislature directs the Cultural Affairs Department, Commission of Public Records, and the Attorney General's Office to work with other federal and state agencies to conduct a study to determine the extent to which lands that were formally part of the common lands of a land grant-merced now belong to the state and how the land was obtained or acquired by the state. The results of the study are to be reported to the legislature not later than November 1, 2004. Further, if the facts show the land that was once part of the common lands of a land grant-merced was obtained through dishonest, unjust, or illegal means and is now owned by the state, the office of cultural affairs and the office of the attorney general should determine what actions are required for the land to be returned to the heirs of the land grant.

DUPLICATION

This bill duplicates Senate Bill 164 except that Senate Bill 164 appropriates \$40.0 for the same purpose.

TECHNICAL ISSUES

The bill incorrectly cites the location of the original Senate Joint Memorial as having passed during the First Session of the Forty-Sixth Legislature. The correct SJM 10 was passed in the Second Session of the Forty-Sixth Legislature.

ALTERNATIVES

According to the Commission, if the research and documentation are to continue, there would appear to be few alternatives, other than perhaps funding a term position for the duration of the project. However, even were this alternative to be pursued, it could prove difficult to find some-

one as familiar with the pertinent records as the contractor now used and it would not negate the need to secure the services of abstractors.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

According to the Commission of Public Records, the research and documentation of the state-owned properties located within other land grants would not continue.

DXM/yr