

**REVENUE:** No revenue impact

**FISCAL:** No fiscal impact

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<b>Action:</b>	Do Pass and Be Placed on the Consent Calendar
<b>Vote:</b>	9 - 0 - 0
<b>Yeas:</b>	Clem, Esquivel, Krieger, McKeown, Reardon, Thompson, Unger, Whitsett, Witt
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Patrino, Administrator
<b>Meeting Dates:</b>	2/14

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**WHAT THE MEASURE DOES:** Defines “low-potential resource real property” as located inside urban growth boundary or within area zoned for residential use on lot or parcel three acres or smaller in size. Designates Department of State Lands (DSL) as agency acting for state in any transaction involving mineral and geothermal resource rights in low-potential resource real property. Prohibits DSL from reserving rights unless determination is made that significant mineral or geothermal resources exists in such property. Upon owner application, directs DSL to release and transfer reserved rights within 60 days unless determination is made that significant mineral or geothermal resource exists. Allows owner to apply to DSL for release and transfer of mineral and geothermal rights reserved by state prior to Act’s effective date. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Current process requirements for release of rights
- Cost of geologic study borne by Common School Fund

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Under current law, the State Land Board must approve the release of any mineral and geothermal rights on all property owned by the state. In addition, a geologic study is required to determine the value of the resource before a release can be approved. House Bill 2031 would transfer the responsibility for transactions involving low-potential resource real property to the Department of State Lands and require the release of mineral and geothermal rights at the time of disposal of these properties unless it is determined that a significant right exists.