BILL ANALYSIS

Senate Research Center 76R6174 WP-F

C.S.S.B. 1316 By: Armbrister Natural Resources 5/5/1999 Committee Report (Substituted)

DIGEST

In <u>Westgate</u>, <u>Ltd</u>, <u>v</u>. <u>State</u>, 843 S.W.2d 448 (Tex. 1992), the Texas Supreme Court held that the owner of a shopping center was not entitled to any compensation for the state's unreasonable delay in acquiring the property. Further, there was insufficient notice to the owner of the property regarding the state's condemnation of the property. C.S.S.B. 1316 would set forth requirements for a notice and assessment of damages in a condemnation proceeding.

PURPOSE

As proposed, C.S.S.B. 1316 sets forth requirements for a notice and assessment of damages in a condemnation proceeding.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 21C, Property Code, by adding Section 21.0411, as follows:

Sec. 21.0411. ALTERNATE VALUATION DATE; NOTICE. Authorizes the property owner to choose a date for determinating the value of the property to be condemded other than the date prescribed by Section 21.042(b), in a condemnation proceeding under this chapter. Authorizes the property owner to choose any date after the date the condemnor publicly manifests an intention to acquire the owner's property, if the date meets certain requirements. Requires a governmental entity that files a petition under Section 21.012 to provide written notice to the property owner of the property to be condemed by certified mail, return receipt requested, not later than the 10th day after the date the entity files the petition informing the property owner of certain information. Requires the property owner to provide written notice to the condemnor by certified mail, return receipt requested, not later than the 45th day after the date the property owner receives the notice under Subsection (b) informing the condemnor of the property owner's choice of valuation date under Subsection (a). Authorizes only the improvements existing on the property on the date of the special commissioners' hearing to be considered in determining the property's value for purposes of this chapter.

SECTION 2. Amends Sections 21.042(b), (c), and (e), Property Code, to provide that the damage to the property owner is the local market value of the property at a certain time and date. Provides that for the purpose of this subsection, the value of property is determined in the manner as authorized for determining the value of property under Subsection (b). Makes a conforming change.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Provides that this Act take effect September 1, 1999, only if S.B. 1547, 76th Legislature, Regular Session, 1999, is enacted and becomes law. Provides that if S.B.1547, 76th Legislature, Regular Session, 1999, is not enacted or does not become law, this Act has no effect.

SECTION 5. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Adds a new SECTION 1 to amend Chapter 21C, Property Code, by adding Section 21.0411, regarding alternate valuation date and notice. Redesigates existing SECTIONS accordingly.

SECTION 2.

Amends Section 21.042(b), Property Code, to provide that the damage to the property owner is the local market value of the property at a certain time and date. Deletes text regarding the date the condemnor has a legal right to the possession of the property condemed.

SECTION 4.

Adds a new SECTION 4 to set forth the effective date. Redesignates existing SECTION accordingly.