

BILL ANALYSIS

Senate Research Center
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S.B. 1708
By: Wentworth
State Affairs
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DIGEST AND PURPOSE

Currently, no mechanism exists to allow a person whose property was acquired by the government through eminent domain, when the project for which the property was acquired is canceled, to get the property back, other than a bidding process. As proposed, S.B. 1708 requires the government to contact the last owner and offer the person the property before it is set for sale through the bidding process.

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 Chapter 21, Property Code, by adding Subchapter E, as follows:

SUBCHAPTER E. REPURCHASE OF REAL PROPERTY FROM GOVERNMENTAL ENTITY

Sec. 21.101. **APPLICABILITY.** Provides that this subchapter applies only to a real property interest acquired by a governmental entity through eminent domain for a public use that was later cancelled.

Sec. 21.102. **NOTICE TO PREVIOUS PROPERTY OWNER.** (a) Requires the governmental entity, not later than the first anniversary of the date of the cancellation of the public use for which real property was acquired through eminent domain, to make a diligent effort to discover each property owner, or the heirs of the property owner if the property owner is deceased, who owned the real property interest immediately before the governmental entity acquired the property interest.

(b) Requires the governmental entity to personally deliver or send by certified mail, return receipt requested, to each property owner identified under Subsection (a) a notice containing certain information.

Sec. 21.103. **RESALE OF PROPERTY; PRICE.** Requires the governmental entity, not later than the first anniversary of the date on which a person receives notice under Section 21.102, or sooner on request of the person, to offer to sell the property interest to that person, or the person's heirs if the person is deceased. Requires the sale price, if the person accepts the offer, to be the lesser of fair market value or the price paid to the owner by the governmental entity when the governmental entity acquired the interest by eminent domain.

SECTION 2. (a) Provides that Chapter 21E, Property Code, as added by this Act, applies only to a real property interest acquired by a governmental entity on or after January 1, 1980.

(b) Provides that for real property that was acquired before the effective date of this Act through eminent domain for a public use and for which the public use was canceled before the effective date of this Act, the one-year period described by Section 21.102,

Property Code, as added by this Act, shall be computed as if the date of cancellation were the effective date of this Act.

SECTION 3. Effective date: upon passage or September 1, 2003.