

## **BILL ANALYSIS**

Senate Research Center  
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S.B. 626  
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State Affairs  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Eminent domain is the power of a governmental entity to acquire private property for a public use by providing adequate compensation. The state also may grant the power to private entities. While eminent domain can serve the greater good, it is a government power ripe for abuse and misuse.

One aspect of the condemnation process that can be problematic is the offer for compensation itself. Under current case law, a condemning entity is not required to tell the landowner whether the offer includes more land than the entity has the authority to take under eminent domain. For landowners unfamiliar with the process, this is particularly troublesome. The Senate State Affairs Committee's Interim Report to the 85th Legislature recommended that landowners clearly understand condemnor's legal restrictions and be made more informed of which parcels of land could be taken through eminent domain. This bill enacts those recommendations.

S.B. 626 strengthens landowner rights in two ways. First, the bill requires condemnors who desire to take more land than reasonably necessary to complete the project to make a separate purchase offer for the additional, unnecessary property, and state in the additional offer that the land isn't subject to acquisition through eminent domain. Second, the bill updates the Landowner's Bill of Rights to include those two new requirements.

S.B. 626 strengthens private property rights by better informing landowners and requiring clear purchase offers.

As proposed, S.B. 626 amends current law relating to the acquisition of certain real property in conjunction with the acquisition of real property for a public use through eminent domain procedures.

### **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 Section 402.031, Government Code, by adding Subsection (c-1), as follows:

(c-1) Requires that the statement disclose that a condemning entity that makes a bona fide offer under Chapter 21 (Eminent Domain), Property Code, to acquire from the property owner real property for a public use must:

- (1) make a separate offer to acquire from the owner any of the owner's other real property the entity wants to acquire that is not reasonably necessary to complete the public use of the property for which the bona fide offer is made; and
- (2) include a statement in the separate offer that the property that is the subject of the separate offer is not subject to condemnation by the entity.

SECTION 2. Amends Subchapter B, Chapter 21, Property Code, by adding Section 21.0114, as follows:

Sec. 21.0114. OFFER TO ACQUIRE ADDITIONAL PROPERTY. Requires an entity with eminent domain authority, in conjunction with a bona fide offer to acquire real property for a public use under Section 21.0113 (Bona Fide Offer Required), to:

(1) make a separate offer to acquire from a property owner any of the owner's other real property the entity wants to acquire that is not reasonably necessary to complete the public use of the property for which the bona fide offer is made under Section 21.0113; and

(2) include a statement in the offer under Subdivision (1) that the property that is the subject of that offer is not subject to acquisition through eminent domain.

SECTION 3. Effective date: September 1, 2017.