By: Lozano H.B. No. 5245

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the acquisition of real property by a private entity
3	with eminent domain authority.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 21.0113, Property Code, is amended by
6	adding Subsections (c), (d), and (e) to read as follows:
7	(c) Notwithstanding Subsection (b), a private entity, as
8	defined by Section 21.0114, with eminent domain authority that
9	wants to acquire real property for a public use has made a bona fide
10	offer only if the entity:
11	(1) satisfies the requirements of Subsection (b);
12	(2) includes with the initial offer:
13	(A) an offer of compensation in an amount equal
14	to or greater than:
15	(i) the market value of the property rights
16	sought to be acquired, including an estimate of damages to the
17	property owner's remaining property, if any, based on an appraisal
18	of the property prepared by a third party who is a certified general
19	appraiser licensed under Chapter 1103, Occupations Code; or
20	(ii) the estimated price or market value of
21	the property rights sought to be acquired based on data for at least
22	three comparable arm's-length sales of a fee simple interest in
23	property, including an estimate of damages to the property owner's
24	remaining property if any based on data them available to the

- 1 <u>appraiser</u>, broker, or private entity, as applicable, and based on:
- 2 (a) a comparative market analysis
- 3 prepared by a third party who is a real estate broker licensed under
- 4 Chapter 1101, Occupations Code, or a certified general appraiser
- 5 licensed under Chapter 1103, Occupations Code;
- 6 (b) a broker price opinion prepared by
- 7 <u>a third party who is a real estate broker licensed under Chapter</u>
- 8 1101, Occupations Code; or
- 9 (c) a market study prepared by a third
- 10 party who is a real estate broker licensed under Chapter 1101,
- 11 Occupations Code, or a certified general appraiser licensed under
- 12 Chapter 1103, Occupations Code;
- 13 (B) the complete written report of the appraisal,
- 14 the comparative market analysis, the broker price opinion, the
- 15 market study, or a summary of the market study, as prepared by the
- 16 third party, that forms the basis for the amount of the offer of
- 17 compensation under Paragraph (A); and
- 18 (C) notice of the terms described by Section
- 19 21.0114(d) for which the property owner may negotiate to be
- 20 included in a deed, easement, agreement, or other instrument of
- 21 conveyance relating to the property; and
- 22 (3) provides notice of the proposed project to the
- 23 county judge as required by Section 21.0115.
- (d) For purposes of Subsection (c)(2)(A)(ii), a real estate
- 25 broker licensed under Chapter 1101, Occupations Code, is authorized
- 26 to prepare an estimated price based on a comparative market
- 27 analysis, a broker price opinion, a market study, or a summary of

1 the market study.

- 2 (e) A private entity that provides to a property owner an
- 3 easement form that is generally consistent with the language or
- 4 provisions required by Section 21.0114(c) and the notice required
- 5 by Section 21.0114(d) is considered to have complied with Section
- 6 21.0114 for purposes of Subsection (b)(1)(C) of this section,
- 7 regardless of whether the private entity subsequently provides to
- 8 the property owner a different deed, easement, agreement, or other
- 9 instrument of conveyance as authorized under Sections 21.0114(e)
- 10 and (f).
- SECTION 2. Section 21.0114(c), Property Code, is amended to
- 12 read as follows:
- 13 (c) Except as provided by Subsections (d), (e), and (f), a
- 14 deed, agreement, or other instrument of conveyance provided to a
- 15 property owner by a private entity with eminent domain authority to
- 16 acquire the property interest to be conveyed must address the
- 17 following general terms, as applicable:
- 18 (1) if the instrument conveys a pipeline right-of-way
- 19 easement or an easement related to pipeline appurtenances:
- 20 (A) the maximum number of pipelines that may be
- 21 installed under the instrument for a pipeline right-of-way;
- 22 (B) a description of the types of pipeline
- 23 appurtenances that are authorized to be installed under the
- 24 instrument for pipeline-related appurtenances, such as pipes,
- 25 valves, compressors, pumps, meters, pigging stations, dehydration
- 26 facilities, electric facilities, communication facilities, and any
- 27 other appurtenances that may be necessary [or desirable] in

- 1 connection with a pipeline;
- 2 (C) the maximum diameter, excluding any
- 3 protective coating or wrapping, of each pipeline to be [initially]
- 4 installed under the instrument for a pipeline right-of-way;
- 5 (D) the type or category of substances permitted
- 6 to be transported through each pipeline to be installed under the
- 7 instrument;
- 8 (E) a general description of any aboveground
- 9 equipment or facility the private entity intends to install,
- 10 maintain, or operate under the instrument for a pipeline easement
- 11 on the surface of the easement;
- 12 (F) a description or illustration of the location
- 13 of the easement, including a metes and bounds or centerline
- 14 description, plat, or aerial or other map-based depiction of the
- 15 location of the easement on the property;
- 16 (G) the maximum width of the easement under the
- 17 instrument;
- 18 (H) the minimum depth at which each pipeline to
- 19 be installed under the instrument for a pipeline right-of-way will
- 20 [initially] be installed;
- 21 (I) a provision identifying whether the private
- 22 entity intends to double-ditch areas of the pipeline easement that
- 23 are not installed by boring or horizontal directional drilling;
- 24 (J) a provision requiring the private entity to
- 25 provide written notice to the property owner at the last known
- 26 address of the person in whose name the property is listed on the
- 27 most recent tax roll of any taxing unit authorized to levy property

- 1 taxes against the property before assigning [if and when the
- 2 private entity assigns] the interest under the instrument to
- 3 another entity[, provided that the provision does not require
- 4 notice by the private entity for assignment to an affiliate or to a
- 5 successor through merger, consolidation, or other sale or transfer
- 6 of all or substantially all of its assets and businesses];
- 7 (K) a provision describing whether the easement
- 8 rights are exclusive, [or otherwise limited;
- 9 (L) a provision limiting the private entity's
- 10 right to grant to a third party access to the easement area for a
- 11 purpose that is not related to the construction, safety, repair,
- 12 maintenance, inspection, replacement, operation, or removal of
- 13 each pipeline to be installed under the instrument and of pipeline
- 14 appurtenances to be installed under the instrument;
- 15 (M) a provision regarding the property owner's
- 16 right to recover actual monetary damages arising from the
- 17 construction and installation of each pipeline to be installed
- 18 under the instrument, or a statement that the consideration for the
- 19 instrument includes any monetary damages arising from the
- 20 construction and installation of each pipeline to be installed
- 21 under the instrument;
- (N) a provision regarding the property owner's
- 23 right after [initial] construction and installation of each
- 24 pipeline to be installed under the instrument to actual monetary
- 25 damages arising from the repair, maintenance, inspection,
- 26 replacement, operation, or removal of each pipeline to be installed
- 27 under the instrument, or a statement that consideration for the

- 1 instrument includes any monetary damages arising from the repair,
- 2 maintenance, inspection, replacement, operation, or removal of
- 3 each pipeline to be installed under the instrument;
- 4 (O) a provision:
- 5 (i) regarding the removal, cutting, use,
- 6 repair, and replacement of gates and fences that cross the easement
- 7 or that will be used by the private entity under the instrument; or
- 8 (ii) providing for the payment for any
- 9 damage caused by the private entity to gates and fences described by
- 10 Subparagraph (i), if any, to the extent that the gates or fences are
- 11 not restored or paid for as part of the consideration paid for the
- 12 instrument;
- 13 (P) a provision:
- 14 (i) regarding the private entity's
- 15 obligation to restore the pipeline easement area and the property
- 16 owner's remaining property, if any, used by the private entity to as
- 17 near to original condition as is reasonably practicable and to
- 18 maintain the easement in a manner not inconsistent [consistent]
- 19 with the purposes for which the easement will be used by the private
- 20 entity under the instrument; or
- 21 (ii) providing for the private entity to
- 22 reimburse the property owner for actual monetary damages incurred
- 23 by the property owner that arise from damage to the pipeline
- 24 easement area or the property owner's remaining property, if any,
- 25 to the extent caused by the private entity and not restored or paid
- 26 for as part of the consideration for the instrument; and
- (Q) a provision describing the private entity's

- 1 rights of ingress, egress, entry, and access on, to, over, and
- 2 across the property owner's property under the instrument;
- 3 (2) if the instrument conveys an electric transmission
- 4 line right-of-way easement:
- 5 (A) a general description of the uses of the
- 6 surface of the property to be encumbered by the easement the entity
- 7 intends to acquire;
- 8 (B) a description or illustration of the location
- 9 of the easement, including a metes and bounds or centerline
- 10 description, plat, or aerial or other map-based depiction of the
- 11 location of the easement on the property;
- 12 (C) the maximum width of the easement under the
- 13 instrument;
- 14 (D) the manner in which the entity will access
- 15 the easement under the instrument;
- 16 (E) a provision limiting the private entity's
- 17 right to grant to a third party access to the easement area for a
- 18 purpose that is not related to the construction, safety, repair,
- 19 maintenance, inspection, replacement, operation, or removal of the
- 20 electric and appurtenant facilities installed under the
- 21 instrument;
- 22 (F) a provision regarding the property owner's
- 23 right to recover actual monetary damages arising from the
- 24 construction, operation, repair, maintenance, inspection,
- 25 replacement, and future removal of lines and support facilities
- 26 after initial construction in the easement, if any, or a statement
- 27 that the initial consideration for the easement instrument includes

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such damages;
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2
                    (G)
                         a provision:
 3
                         (i)
                             regarding the removal, cutting, use,
   repair, and replacement of gates and fences that cross the easement
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   or that will be used by the private entity under the instrument; or
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                         (ii) providing for the payment for any
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   damage caused by the private entity to gates and fences described by
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   Subparagraph (i), if any, to the extent that the gates or fences are
   not restored or paid for as part of the consideration for the
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   instrument;
                         a provision regarding the private entity's
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   obligation to restore the easement area and the property owner's
   remaining property to the easement area's and the remaining
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   property's original contours and grades, to the extent reasonably
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   practicable, unless the safety or operational needs of the private
   entity and the electric facilities would be impaired, and:
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17
                         (i)
                              a provision regarding the entity's
   obligation to restore the easement area and the property owner's
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   remaining
              property following any future
                                                   damages
   attributed to the use of the easement by the private entity, to the
20
   extent reasonably practicable[, unless the safety or operational
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   needs of the private entity and the electric facilities would be
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23
   impaired]; or
24
                          (ii)
                               a provision that the consideration for
25
                   instrument
         easement
                               includes damages as
                                                       described by
26
   Subparagraph (i) to the easement area and the property owner's
   remaining property;
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- 1 (I) a provision describing whether the easement
- 2 rights are exclusive, nonexclusive, or otherwise limited under the
- 3 terms of the instrument; and
- 4 (J) a prohibition against the assignment of the
- 5 entity's interest in the property to an assignee that will not
- 6 operate as a utility subject to the jurisdiction of the Public
- 7 Utility Commission of Texas or the Federal Energy Regulatory
- 8 Commission without written notice to the property owner at the last
- 9 known address of the person in whose name the property is listed on
- 10 the most recent tax roll of any taxing unit authorized to levy
- 11 property taxes against the property;
- 12 (3) a prohibition against any use by the private
- 13 entity of the property rights being conveyed by the instrument,
- 14 other than a use stated in the instrument, without the express
- 15 written consent of the property owner; [and]
- 16 (4) a provision that the terms of the instrument will
- 17 bind the successors and assigns of the property owner and private
- 18 entity; and
- 19 (5) a provision setting forth the applicable insurance
- 20 or self-insurance to be provided by the private entity.
- 21 SECTION 3. Subchapter B, Chapter 21, Property Code, is
- 22 amended by adding Section 21.0115 to read as follows:
- Sec. 21.0115. NOTICE OF INTENT. (a) A private entity as
- 24 defined by Section 21.0114 must send a written notice of intent to
- 25 the county judge of a county in which the private entity will seek
- 26 to acquire property for a project for public use before the first
- 27 time the private entity makes an initial offer to acquire real

- 1 property for the project in that county.
- 2 (b) A notice sent under Subsection (a) must:
- 3 (1) state the private entity's intent to acquire real
- 4 property for public use;
- 5 (2) specify the public use; and
- 6 (3) identify the proposed route, including the tracts
- 7 of real property, identified by the tract number assigned by the
- 8 county assessor-collector, that the private entity intends to
- 9 acquire.
- SECTION 4. Section 21.012, Property Code, is amended by
- 11 adding Subsection (b-1) to read as follows:
- 12 (b-1) In addition to the contents prescribed by Subsection
- 13 (b), a petition filed by a private entity as defined by Section
- 14 21.0114 to acquire property for a public use must state the terms to
- 15 be included in the instrument of conveyance under Section
- 16 21.0114(c).
- SECTION 5. Section 21.014(a), Property Code, is amended to
- 18 read as follows:
- 19 (a) The judge of a court in which a condemnation petition is
- 20 filed or to which an eminent domain case is assigned shall, not
- 21 later than the 30th calendar day after the property owner receives
- 22 notice that the petition is filed, appoint three disinterested real
- 23 property owners who reside in the county as special commissioners
- 24 to assess the damages of the owner of the property being condemned
- 25 and appoint two disinterested real property owners who reside in
- 26 the county as alternate special commissioners. The judge appointing
- 27 the special commissioners shall give preference to persons agreed

on by the parties, if any, before the court appoints the special 1 commissioners. The judge shall provide the names and contact 2 information of the special commissioners and alternate special 3 commissioners to the parties. Each party shall have until the later 4 5 of 15 [10] calendar days after the date of the order appointing the special commissioners or 30 [20] days after the date the petition 6 was filed to strike one of the three special commissioners. Any 7 8 strike of a special commissioner must be filed electronically with electronic service provided concurrently to any represented party 9 10 and first class mail service provided concurrently to any other party. If a person fails to serve as a special commissioner or is 11 12 struck by a party to the suit in accordance with this subsection, an 13 alternate special commissioner shall serve as a replacement for the 14 special commissioner based on the order that the alternate special 15 commissioners are listed in the initial order of appointment. If a party exercises a strike, the other party may, by the later of the 16 17 third day after the date of filing of the initial strike or the date of the initial strike deadline, strike a special commissioner from 18 19 the resulting panel, provided the other party has not earlier exercised a strike. 20

21 SECTION 6. Chapter 21, Property Code, is amended by adding 22 Subchapter B-1 to read as follows:

SUBCHAPTER B-1. ACQUISITION OF PROPERTY BY CERTAIN PRIVATE

24 ENTITIES

23

- 25 <u>Sec. 21.031. DEFINITION. In this subchapter, "private</u> 26 entity" has the meaning assigned by Section 21.0114.
- 27 <u>Sec. 21.032. APPLICABILITY OF SUBCHAPTER.</u> (a) Except as

- 1 expressly provided by Section 21.033(d), this subchapter applies
- 2 only to a private entity that seeks to acquire for the same pipeline
- 3 or electric transmission project 25 or more tracts of real
- 4 property, including easements within those tracts, that are owned
- 5 by at least 25 separate and unaffiliated property owners.
- 6 (b) Except as expressly provided by Section 21.0392, this
- 7 <u>subchapter does not apply to a private entity that:</u>
- 8 <u>(1) operates or proposes to construct an electric</u>
- 9 transmission line; and
- 10 (2) is subject to the jurisdiction of the Public
- 11 <u>Utility Commission of Texas under Chapter 37</u>, <u>Utilities Code</u>.
- 12 (c) This subchapter does not apply to the acquisition of a
- 13 tract of real property that is an industrial property, including a
- 14 tract that contains a refinery, processing facility, underground
- 15 storage facility, electric station, industrial facility, power
- 16 plant facility, or storage terminal.
- 17 Sec. 21.033. NOTICE OF PROPERTY OWNER INFORMATION MEETING.
- 18 (a) A private entity shall, before or at the same time that the
- 19 entity makes an initial offer as required under Section 21.0113,
- 20 provide a written notice advising the property owner of:
- 21 (1) the property owner's right to participate in a
- 22 meeting to discuss the proposed project, including:
- 23 (A) if the project is a pipeline, the substances,
- 24 products, materials, installations, and structures the private
- 25 entity intends to transport through, use for, or build as part of
- 26 the project; and
- 27 (B) any regulatory filings for the project; and

- 1 (2) the date, time, and location of the meeting.
- 2 (b) The private entity shall send the meeting notice to:
- 3 (1) the property owner listed for the property on the
- 4 most recent tax roll for a taxing unit with authority to levy an ad
- 5 valorem tax on the property; or
- 6 (2) the address for the property listed on the tax roll
- 7 <u>described by Subdivision (1).</u>
- 8 <u>(c) The private entity shall also send the meeting notice</u>
- 9 to:
- 10 (1) any other address that the private entity has for
- 11 the property owner; and
- 12 (2) each county judge of a county in which all or part
- 13 of the project section or segment for which the meeting is to be
- 14 held is located.
- 15 (d) If a pipeline involves fewer than 25 separate and
- 16 unaffiliated property owners, the private entity shall provide
- 17 notice to the property owners in the manner prescribed by this
- 18 section that a property owner may request a meeting with the private
- 19 entity to receive the information required to be presented by a
- 20 private entity under Section 21.037. If a property owner requests a
- 21 meeting, the private entity shall hold the meeting not later than
- 22 the 30th day after the date the private entity sent the notice to
- 23 the property owner.
- Sec. 21.034. PROPERTY OWNER INFORMATION MEETING. (a) For
- 25 each contiguous linear section of a proposed project route that is
- 26 equal to or less than 100 miles in length, the private entity shall
- 27 hold a group property owner meeting. For a project that exceeds 100

- 1 miles in length, the private entity shall hold at least one separate
- 2 meeting for each 100-mile segment.
- 3 (b) The private entity shall hold a meeting required under
- 4 Subsection (a) in a centrally located public location:
- 5 (1) appropriate to the size and nature of the meeting;
- 6 <u>and</u>
- 7 (2) as convenient as possible to the majority of
- 8 property owners affected by the project or project segment for
- 9 which the meeting is required.
- 10 (c) The private entity shall hold the meeting in a location
- 11 the travel distance to which is 50 miles or less for the majority of
- 12 property owners who reside on property being acquired for the
- 13 project section or segment for which the meeting is to be held.
- 14 (d) A meeting required under Subsection (a) may not be
- 15 scheduled to begin earlier than 5:30 p.m.
- 16 (e) A meeting required under Subsection (a) may not be held
- 17 before the private entity sends at least 25 percent of the initial
- 18 offers required by Section 21.0113.
- 19 Sec. 21.035. PERSONS AUTHORIZED TO ATTEND PROPERTY OWNER
- 20 INFORMATION MEETING. (a) In addition to the property owner and the
- 21 private entity representatives, the following individuals may
- 22 attend a meeting held under Section 21.034:
- 23 (1) an invited relative of the property owner who is
- 24 related to the property owner within the third degree by
- 25 consanguinity or affinity, as determined under Chapter 573,
- 26 Government Code;
- 27 (2) an attorney or licensed appraiser representing the

- 1 property owner;
- 2 (3) an employee or a lessee of the property owner that
- 3 has direct knowledge of the property;
- 4 (4) an employee of an entity with whom the property
- 5 owner has contracted for services to manage the property; or
- 6 (5) a county judge of a county in which all or part of
- 7 the project section or segment for which the meeting is held is
- 8 located.
- 9 (b) A private entity may include in the notice required by
- 10 Section 21.033 a requirement that the property owner identify
- 11 persons described by Subsections (a) (1) (4) who intend to attend
- 12 the meeting not later than two days before the date of the meeting.
- 13 (c) The number of attendees under Subsections (a)(1)-(4)
- 14 may not exceed five individuals for each separate tract of
- 15 property.
- 16 (d) The private entity may require attendees to provide
- 17 identification and complete a registration form that includes
- 18 contact information.
- 19 (e) The private entity may take reasonable steps to maintain
- 20 safety and decorum at the meeting, including expelling attendees
- 21 who do not meet the requirements of this subchapter.
- 22 <u>(f) The private entity may not deny entry to a property</u>
- 23 owner who provides proper identification.
- Sec. 21.036. PARTICIPATION BY PRIVATE ENTITY REQUIRED. One
- 25 or more representatives designated by the private entity shall:
- 26 (1) attend each meeting required by Section 21.034;
- 27 and

1	(2) participate in those meetings in the manner
2	prescribed by Section 21.037.
3	Sec. 21.037. PROPERTY OWNER INFORMATION MEETING AGENDA.
4	(a) At a meeting held under Section 21.034:
5	(1) the private entity shall present:
6	(A) the information contained in the landowner's
7	bill of rights statement required to be provided to a property owner
8	under Section 21.0112;
9	(B) a description of the public use for which the
10	entity wants to acquire the real property;
11	(C) the terms required under Section 21.0114 to
12	be included in a deed, easement, agreement, or other instrument of
13	conveyance provided by the entity to the property owner;
14	(D) a description of the method and factors used
15	by the entity to determine the entity's initial offer, including:
16	(i) how damages to remaining property, if
17	any, were evaluated; or
18	(ii) the name of the person who prepared the
19	appraisal report, comparative market analysis, broker price
20	<pre>opinion, or market study required under Section 21.0113(c);</pre>
21	(E) a description of the private entity's
22	regulatory filings related to the project;
23	(F) the basis for the private entity's exercise
24	of eminent domain authority for the project; and
25	(G) the name and contact information, as known at
26	the time of the meeting, of any third-party contractor to be used by
27	the entity to acquire the land or undertake the project; and

- 1 (2) any person who is an authorized attendee of the
- 2 meeting must be given an opportunity at the meeting to ask questions
- 3 and make comments regarding:
- 4 (A) the rights of the property owners;
- 5 (B) the proposed public use for which the real
- 6 property is to be acquired; and
- 7 (C) any terms required under Section 21.0114 to
- 8 be included in a deed, easement, agreement, or other instrument of
- 9 conveyance provided by the private entity to a property owner.
- 10 (b) On request, a private entity shall provide, in written
- 11 or electronic form, the materials presented by the private entity
- 12 at the meeting to a property owner who could not attend the meeting.
- 13 Sec. 21.038. CONTACT AFTER PROPERTY OWNER INFORMATION
- 14 MEETING. A private entity that holds a meeting under Section 21.034
- 15 may not contact a property owner for three days following the date
- 16 of the meeting. Nothing in this section precludes:
- 17 (1) a property owner or an individual allowed to
- 18 attend a meeting held under Section 21.034 from contacting the
- 19 private entity at any time; or
- 20 (2) the private entity from engaging in discussions
- 21 with a person described by Subdivision (1) after that person
- 22 <u>contacts the entity.</u>
- 23 Sec. 21.039. PROCEDURES AFTER PROJECT RE-ROUTE. If any
- 24 part of the project is re-routed after any meeting is held under
- 25 Section 21.034, the private entity shall, with respect to that
- 26 re-route only, comply with the provisions of this subchapter with
- 27 respect to tracts along the re-route.

- 1 Sec. 21.0391. PRIVATE ENTITY NONCOMPLIANCE. (a) A private
- 2 entity subject to this subchapter may not proceed with a special
- 3 commissioners' hearing against a property owner unless the private
- 4 entity has held a meeting required under this subchapter.
- 5 (b) If a court hearing a suit under this chapter determines
- 6 that a private entity did not comply with the applicable provisions
- 7 of this subchapter, the court shall:
- 8 (1) abate any condemnation proceeding filed by the
- 9 private entity until the private entity has complied with this
- 10 subchapter;
- 11 (2) order the private entity to comply with the
- 12 applicable provisions of this subchapter; and
- 13 (3) order the private entity to pay:
- 14 (A) all costs of the proceeding; and
- 15 (B) any reasonable attorney's fees and other
- 16 professional fees incurred by the property owner that are directly
- 17 related to the entity's failure to comply with the applicable
- 18 provisions of this subchapter.
- 19 (c) A condemnation proceeding that is abated under this
- 20 section may proceed after a court finds that the private entity has
- 21 complied with the applicable provisions of this subchapter.
- Sec. 21.0392. PROCEDURES FOR CERTAIN PRIVATE ENTITIES
- 23 SUBJECT TO JURISDICTION OF PUBLIC UTILITY COMMISSION. (a) This
- 24 section applies only to a private entity that proposes to exercise
- 25 the power of eminent domain to construct an electric transmission
- 26 line and is subject to the authority of the Public Utility
- 27 Commission of Texas under Chapter 37, Utilities Code.

- 1 (b) A private entity to which this section applies and that
- 2 is required by the Public Utility Commission of Texas to conduct a
- 3 public meeting in connection with the electric transmission line
- 4 project shall present at the meeting:
- 5 (1) the information contained in the landowner's bill
- 6 of rights required to be provided to a property owner under Section
- 7 21.0112;
- 8 (2) the terms required under Section 21.0114 to be
- 9 included in a deed, easement, agreement, or other instrument of
- 10 conveyance provided by the entity to the property owner;
- 11 (3) the name and contact information of any
- 12 third-party contractor or right-of-way agent that will contact a
- 13 property owner or seek access to the property owner's property in
- 14 connection with the project, to the extent available;
- 15 (4) the name and contact information, including direct
- 16 <u>telephone number and e-mail address, for an agent or employee of the</u>
- 17 entity with authority to answer questions about the electric
- 18 transmission line project;
- 19 (5) the method for calculating the value of the
- 20 property being acquired by the entity and the damages, if any, to
- 21 the property owner's remaining property, as part of the entity's
- 22 initial offer to a property owner; and
- 23 (6) a detailed summary of procedures for right-of-way
- 24 acquisition after the route for the electric transmission line has
- 25 been selected.
- 26 <u>(c) The private entity must give property owners the</u>
- 27 opportunity to ask the entity questions regarding eminent domain

- 1 and right-of-way acquisition at the meeting.
- 2 (d) After the Public Utility Commission of Texas adopts a
- 3 route for the electric transmission line, the entity shall provide
- 4 by letter to each property owner on the route:
- 5 (1) a copy of the entity's draft easement form
- 6 containing a statement of the terms required by Section 21.0114 to
- 7 be included in a deed, easement, agreement, or other instrument of
- 8 conveyance provided by the entity to the property owner;
- 9 (2) an explanation of the initial offer process and
- 10 the basis for calculating the value of the property being acquired
- 11 by the entity and the damages, if any, to the property owner's
- 12 remaining property as part of the initial offer required by Section
- 13 21.0113;
- 14 (3) a statement of the property owner's right under
- 15 Section 21.0113 to receive a copy of the written appraisal with the
- 16 final offer, if a copy of the written appraisal has not previously
- 17 been provided to the property owner by the entity;
- 18 (4) an explanation of the negotiation process,
- 19 including the name and contact information of any right-of-way
- 20 agent who will be participating in the process; and
- 21 (5) the name and contact information, including the
- 22 <u>direct telephone number and e-mail address</u>, for an agent or
- 23 employee of the entity with authority to answer questions about the
- 24 electric transmission line project.
- 25 (e) On request, a private entity shall provide, in written
- 26 or electronic form, the materials presented by the private entity
- 27 at the meeting to a property owner who could not attend the meeting.

- 1 SECTION 7. Section 21.042, Property Code, is amended by
- 2 adding Subsection (d-1) to read as follows:
- 3 (d-1) In estimating injury or benefit under Subsection (c)
- 4 in a condemnation proceeding relating to the acquisition of real
- 5 property by a private entity as defined by Section 21.0114 for a
- 6 pipeline or electric transmission project, the special
- 7 commissioners shall consider, in addition to the considerations
- 8 required under Subsection (d), an injury or benefit to the
- 9 remaining property as a result of:
- 10 (1) the characteristics, size, or visibility of any
- 11 infrastructure on the condemned property;
- 12 (2) any limitation of future expansion of the
- 13 remaining property; and
- 14 (3) terms of the easement acquired in connection with,
- 15 or the alignment of an easement in connection with, the
- 16 condemnation.
- 17 SECTION 8. (a) Except as provided by Subsection (b) of this
- 18 section, the changes in law made by this Act to Chapter 21, Property
- 19 Code, apply only to the acquisition of real property in connection
- 20 with an initial offer made under Chapter 21, Property Code, on or
- 21 after the effective date of this Act. An acquisition of real
- 22 property in connection with an initial offer made under Chapter 21,
- 23 Property Code, before the effective date of this Act is governed by
- 24 the law applicable to the acquisition immediately before the
- 25 effective date of this Act, and that law is continued in effect for
- 26 that purpose.
- (b) Section 21.0392, Property Code, as added by this Act,

- 1 applies only to a public meeting required under Chapter 37,
- 2 Utilities Code, held on or after the effective date of this Act.
- 3 SECTION 9. This Act takes effect September 1, 2025.