

By: Lozano

H.B. No. 5417

A BILL TO BE ENTITLED

AN ACT

relating to a bona fide offer for the acquisition of real property through condemnation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 21.0113(b), Property Code, is amended to read as follows:

(b) An entity with eminent domain authority has made a bona fide offer if:

(1) an initial offer is made in writing to a property owner that includes:

(A) a copy of the landowner's bill of rights statement prescribed by Section 402.031, Government Code, including the addendum prescribed by Section 402.031(c-1), Government Code, if applicable;

(B) a statement, in bold print and a larger font than the other portions of the offer, indicating whether the compensation being offered includes:

(i) damages to the remainder, if any, of the property owner's remaining property; or

(ii) an appraisal of the property, including damages to the remainder, if any, prepared by a certified appraiser certified to practice as a certified general appraiser under Chapter 1103, Occupations Code;

(C) an instrument of conveyance, provided that if

the entity is a private entity as defined by Section 21.0114(a), the instrument must comply with Section 21.0114, as applicable, unless:

(i) the entity has previously provided an instrument complying with Section 21.0114;

(ii) the property owner desires to use an instrument different than one complying with Section 21.0114 and consents in writing to use a different instrument; or

(iii) the property owner provided the entity with the instrument prior to the issuance of the initial offer; and

(D) the name and telephone number of a representative of the entity who is:

(i) an employee of the entity;

(ii) an employee of an affiliate providing services on behalf of the entity;

(iii) a legal representative of the entity;

or

(iv) if the entity does not have employees, an individual designated to represent the day-to-day operations of the entity;

(2) a final offer is made in writing to the property owner;

(3) the final offer is made on or after:

(A) the 30th day after the date on which the entity makes a written initial offer to the property owner, if the final offer is equal to or higher than the initial offer; or

(B) the 60th day after the date on which the

1 entity makes a written initial offer to the property owner, if the  
2 final offer is lower than the initial offer;

3 (4) before making a final offer, the entity obtains a  
4 written appraisal from a certified appraiser of the value of the  
5 property being acquired and the damages, if any, to any of the  
6 property owner's remaining property;

7 (5) the final offer is equal to or greater than the  
8 amount of the written appraisal obtained by the entity;

9 (6) the following items are included with the final  
10 offer or have been previously provided to the owner by the entity:

11 (A) a copy of the written appraisal;

12 (B) a copy of the deed, easement, or other  
13 instrument conveying the property sought to be acquired; and

14 (C) the landowner's bill of rights statement  
15 prescribed by Section 21.0112; and

16 (7) the entity provides the property owner with at  
17 least 14 days to respond to the final offer and the property owner  
18 does not agree to the terms of the final offer within that period.

19 SECTION 2. The change in law made by this Act applies only  
20 to the acquisition of real property in connection with an initial  
21 offer made under Section 21.0113, Property Code, as amended by this  
22 Act, on or after the effective date of this Act. An acquisition of  
23 real property in connection with an initial offer made under  
24 Section 21.0113, Property Code, as amended by this Act, before the  
25 effective date of this Act is governed by the law applicable to the  
26 acquisition immediately before the effective date of this Act, and  
27 that law is continued in effect for that purpose.

1           SECTION 3.   This Act takes effect September 1, 2025.