

1-1 By: Janek S.B. No. 62  
1-2 (In the Senate - Filed June 30, 2005; June 30, 2005, read  
1-3 first time and referred to Committee on State Affairs;  
1-4 July 8, 2005, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 7, Nays 0; July 8, 2005,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 62 By: Madla

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to limiting the use of eminent domain to take private  
1-11 property for private parties or economic development purposes.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subtitle E, Title 10, Government Code, is  
1-14 amended by adding Chapter 2206 to read as follows:

1-15 CHAPTER 2206. LIMITATION ON USE OF EMINENT DOMAIN FOR PRIVATE  
1-16 PARTIES OR ECONOMIC DEVELOPMENT PURPOSES

1-17 Sec. 2206.001. LIMITATION ON EMINENT DOMAIN FOR PRIVATE  
1-18 PARTIES OR ECONOMIC DEVELOPMENT PURPOSES. (a) This section  
1-19 applies to the use of eminent domain under the laws of this state by  
1-20 any governmental or private entity, including:

1-21 (1) a state agency, including an institution of higher  
1-22 education as defined by Section 61.003, Education Code;

1-23 (2) a political subdivision of this state; or

1-24 (3) a corporation created by a governmental entity to  
1-25 act on behalf of the entity.

1-26 (b) A governmental or private entity may not take private  
1-27 property through the use of eminent domain if the taking:

1-28 (1) confers a private benefit on a particular private  
1-29 party through the use of the property;

1-30 (2) is for a public use that is merely a pretext to  
1-31 confer a private benefit on a particular private party; or

1-32 (3) is for economic development purposes, unless the  
1-33 economic development is a secondary purpose resulting from  
1-34 municipal community development or municipal urban renewal  
1-35 activities under Chapter 373 or 374, Local Government Code, to  
1-36 eliminate an existing affirmative harm on society from slum or  
1-37 blighted areas.

1-38 (c) This section does not affect the authority of an entity  
1-39 authorized by law to take private property through the use of  
1-40 eminent domain for:

1-41 (1) transportation projects, including railroads,  
1-42 ports, airports, or public roads or highways; or

1-43 (2) the provision of utility services.

1-44 SECTION 2. This Act takes effect immediately if it receives  
1-45 a vote of two-thirds of all the members elected to each house, as  
1-46 provided by Section 39, Article III, Texas Constitution. If this  
1-47 Act does not receive the vote necessary for immediate effect, this  
1-48 Act takes effect November 1, 2005.

1-49 \* \* \* \* \*