LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 24, 2009

TO: Honorable Dennis Bonnen, Chair, House Committee on Land & Resource Management

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HJR31 by Anderson (Proposing a constitutional amendment to prohibit the state or a political subdivision of the state from taking private property for the primary purpose of economic development or to benefit a particular private party.), **As Introduced**

Fiscal implication to the State, other than the cost of publication, cannot be determined.

The cost to the state for publication of the resolution is \$90,882.

The resolution would require that a proposed constitutional amendment be presented to the voters at an election to be held November 3, 2009. The proposed amendment would prohibit a state or a political subdivision of the state from taking private property through the use of the power of eminent domain if the primary purpose of the taking is for economic development or to benefit a particular private party.

While the only direct costs associated with adding a proposed constitutional amendment to the November ballot are those for publication of the resolution, as indicated above, approval of the change to the constitution could have an unknown additional fiscal impact to the state. For example, it is assumed that a government entity would be required to take extra steps to prove that a proposed taking is not for economic development and not to benefit a particular private property, which would add to any costs associated with exercising powers of eminent domain.

Local Government Impact

Fiscal implications to units of local government cannot be determined.

Source Agencies:

LBB Staff: JOB, WK, SD, DB