LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

February 23, 2011

TO: Honorable Rene Oliveira, Chair, House Committee on Land & Resource Management

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

IN RE: **HB746** by Johnson (Relating to the assessment of damages to a property owner from condemnation.), **As Introduced**

> **No fiscal implication to the State is anticipated.**

The bill would amend the Property Code to require the special commissioners to admit certain evidence to assess actual damages to a property owner from condemnation, including the relocation of a homestead, farm, or business, and related financial damages. The bill would require the relocation within the same municipality or county to prevent the property owner from incurring other debt unnecessarily.

Local Government Impact

The negative fiscal impact to a political subdivision could be significant, but would vary depending on the number of condemnations and the additional assessments the special commissioners would be required to consider in determining actual damages to a property owner.

According to the Texas Association of Counties, the fiscal impact on counties that condemn properties could be significant. However, it is impossible to determine how many properties would be acquired through the condemnation process and the value of those properties. In addition, it is also impossible to know how many properties acquired through the condemnation process that would have to be acquired through another process in the future. Therefore, it is not possible to quantify the extent of the fiscal impact on counties.

According to the Texas Municipal League (TML), the negative fiscal impact to a political subdivision relating to the acquisition and compensation for real property could be significant, but would vary depending on the number of property acquisitions for which the additionally listed costs would be required, and therefore cannot be determined.

Source Agencies:
LBB Staff: JOB, SZ, TP