

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 4, 2011

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

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

IN RE: HB1062 by Murphy (Relating to the exercise of the power of eminent domain by certain local governmental entities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Education Code to allow an independent school district exercise eminent domain authority to acquire the fee simple title to real property for any public use necessary for the district.

The bill would amend the Local Government Code to allow the governing body of a municipality to exercise eminent domain authority to acquire public property for providing, enlarging, or improving a municipally owned city hall, or any other municipal public use.

The bill also would allow a county to exercise eminent domain authority to condemn and acquire land, an easement, or a right-of way for the construction of a jail, courthouse, hospital, or library, or for any other public use.

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 Municipal League (TML), the negative fiscal impact to a municipality 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.

According to the Texas Association of Counties (TAC), 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.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, SZ, TP