

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 14, 2013

TO: Honorable Joe Deshotel, Chair, House Committee on Land & Resource Management

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB20 by Kolkhorst (Relating to the repurchase of real property from an entity with eminent domain authority.), **As Introduced**

The fiscal impact to the state would depend on the number of properties to which the bill would apply and the number of eligible persons who would seek to repurchase land previously acquired by the state.

The bill would amend Chapter 21 of the Property Code relating to the repurchase of real property from an entity with eminent domain authority, including public use and information disclosure requirements.

The bill would allow the owner or their heirs, successors, or assigns to repurchase the property acquired through a purchase in connection with an initial offer if the initial use of the property was not the public use for which the property was intended. The bill also would remove several "actual progress" or completion requirements relating to acquisition and public use of the real property prior to the 10th anniversary.

The bill would amend requirements for notices to previous property owners and information requests regarding applicability use for property acquired through eminent domain.

Based on the information provided by the Texas Department of Transportation, it is assumed that any costs associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

Local Government Impact

There could be a significant fiscal impact associated with changes in procedures that would vary depending on the number of real properties repurchased by a local governmental entity; and the required annual notices to property owners for 10 years.

According to the Texas Municipal League, there could be significant costs to cities related to the repurchase of real property not used for the purpose it was initially acquired for and for notices to property owners; however, the amounts cannot be determined.

According to the Texas Association of Counties, the fiscal impact to counties cannot be determined. However, Denton County reported no significant fiscal impact is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: UP, SZ, TP, TG