

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 9, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB1250** by Frank (Relating to the initial use of certain property acquired for a public use.), **Committee Report 1st House, Substituted**

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

The bill would amend the Government Code to provide that real property acquired through eminent domain, defined as property purchased in connection with an offer under Section 21.0113 of the Property Code, must initially be used for the public use for which it was acquired. The bill would specify that real property acquired through eminent domain may be used for purposes other than the use for which it was acquired as defined by the provisions. The bill would establish requirements relating to notices to sell, including that an offer must state the public use for which the entity intends to acquire the property. Provisions of the bill would not apply to a real property interest acquired for oil and gas activities.

The Texas Department of Transportation reported that the additional requirement would not likely impose an obstacle for the agency's normal acquisition activities related to highway use; therefore, no significant fiscal impact is anticipated.

**Local Government Impact**

There could be costs to a local governmental entity that acquires property through eminent domain; however, those amounts would vary depending on whether the real property sold met the required exceptions.

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

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 601 Department of Transportation, 720 The University of Texas System Administration, 769 University of North Texas System Administration, 802 Parks and Wildlife Department

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