

By: Kolkhorst

S.B. No. 741

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to compensation to a property owner for property acquired  
3 by an entity with eminent domain authority.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 21.0113, Property Code, is amended by  
6 adding Subsection (c) to read as follows:

7 (c) For purposes of this section, a bona fide offer may  
8 include compensation to the property owner in the form of a royalty  
9 or percentage of the net profits generated from the project  
10 necessitating the acquisition.

11 SECTION 2. Section 21.041, Property Code, is amended to  
12 read as follows:

13 Sec. 21.041. EVIDENCE. (a) As the basis for assessing  
14 actual damages to a property owner from a condemnation, the special  
15 commissioners shall admit evidence on:

16 (1) the value of the property being condemned;  
17 (2) the injury to the property owner;  
18 (3) the benefit to the property owner's remaining  
19 property; ~~and~~

20 (4) the use of the property for the purpose of the  
21 condemnation; and

22 (5) the value of any compensation described by Section  
23 21.0113(c) that the condemning entity has offered the property  
24 owner in connection with the proposed condemnation.

1        (b) The special commissioners may admit evidence on the  
2 price paid for pipeline or power line rights-of-way in privately  
3 negotiated transactions made in the absence of a potential, actual,  
4 or threatened condemnation.

5        SECTION 3. (a) Except as provided by Subsection (b) of this  
6 section, Sections 21.0113 and 21.041, Property Code, as amended by  
7 this Act, apply only to the acquisition of real property in  
8 connection with an initial offer made under Section 21.0113,  
9 Property Code, on or after the effective date of this Act. An  
10 acquisition of real property in connection with an initial offer  
11 made under Section 21.0113, Property Code, before the effective  
12 date of this Act is governed by the law applicable to the  
13 acquisition immediately before the effective date of this Act, and  
14 that law is continued in effect for that purpose.

15        (b) Section 21.041(b), Property Code, as added by this Act,  
16 applies only to an eminent domain proceeding commenced on or after  
17 the effective date of this Act. An eminent domain proceeding  
18 commenced before the effective date of this Act is governed by the  
19 law applicable to the proceeding immediately before the effective  
20 date of this Act, and that law is continued in effect for that  
21 purpose.

22        SECTION 4. This Act takes effect September 1, 2017.