

By: Kolkhorst, et al.

S.B. No. 421

A BILL TO BE ENTITLED

AN ACT

relating to the acquisition of real property by an entity with eminent domain authority.

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

SECTION 1. Section 21.0113, Property Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) Notwithstanding Subsection (b), a private entity, as defined by Section 21.031, with eminent domain authority that wants to acquire real property for a pipeline or electric transmission project has made a bona fide offer only if the entity:

(1) satisfies the requirements of Subsection (b);

(2) includes in the initial offer:

(A) an offer of just compensation in an amount equal to or greater than:

(i) the market value of the property rights sought to be acquired, including damages to any of the property owner's remaining property, if any, and other damages, if any, based on an appraisal of the property prepared by an independent certified general appraiser licensed under Chapter 1103, Occupations Code; or

(ii) the estimated sales price of the property rights sought to be acquired based on data for at least three comparable arm's-length sales, including damages to any of the property owner's remaining property, if any, and other damages,

1 if any, based on:

2 (a) a comparative market analysis of  
3 the property affected by the rights sought, prepared by an  
4 independent real estate broker licensed under Chapter 1101,  
5 Occupations Code;

6 (b) a broker price opinion of the  
7 property affected by the rights sought, prepared by an independent  
8 real estate broker licensed under Chapter 1101, Occupations Code;

9 or

10 (c) a market study of the property  
11 affected by the rights sought, prepared by an independent real  
12 estate broker licensed under Chapter 1101, Occupations Code;

13 (B) the complete written report of the appraisal,  
14 the comparative market analysis, the broker price opinion, or the  
15 market study that forms the basis for the amount of the offer of  
16 compensation under Paragraph (A);

17 (C) notice of the terms described by Section  
18 21.0114(b) for which the property owner may negotiate to be  
19 included in a deed, easement, agreement, or other instrument of  
20 conveyance relating to the property;

21 (D) notice that the property owner may also  
22 receive a final offer accompanied by a written appraisal; and

23 (E) a copy of the notice of property owner  
24 information meeting required by Section 21.033, if applicable,  
25 unless the entity has previously provided a copy of the notice to  
26 the property owner;

27 (3) participates in the property owner information

1 meeting in the manner prescribed by Section 21.037, if applicable;

2 (4) obtains for purposes of Subsection (b)(4) a  
3 written appraisal report from a certified appraiser; and

4 (5) includes in the final offer a copy of the written  
5 appraisal report required by Subsection (b)(4) unless the entity  
6 has previously provided a copy of the report to the property owner.

7 (d) For purposes of Subsection (c)(2)(A)(ii), a real estate  
8 broker licensed under Chapter 1101, Occupations Code, is authorized  
9 to prepare an estimated sales price based on a comparative market  
10 analysis, a broker price opinion, or a market study.

11 (e) An offer of compensation made under Subsection (c) must  
12 include a separate statement of:

13 (1) the damages, if any, to any of the property owner's  
14 remaining property; and

15 (2) the other damages, if any.

16 SECTION 2. Section 21.047(d), Property Code, is transferred  
17 to Section 21.0113, Property Code, redesignated as Section  
18 21.0113(f), Property Code, and amended to read as follows:

19 (f) [~~(d)~~] If a court hearing a suit under this chapter  
20 determines that a condemnor did not make a bona fide offer to  
21 acquire the property from the property owner voluntarily as  
22 required by this section [~~Section 21.0113~~], the court shall abate  
23 the suit, order the condemnor to make a bona fide offer, and order  
24 the condemnor to pay:

25 (1) all costs as provided by Section 21.047(a)  
26 [~~Subsection (a)~~]; and

27 (2) any reasonable attorney's fees and other

1 professional fees incurred by the property owner that are directly  
2 related to the violation.

3 SECTION 3. Subchapter B, Chapter 21, Property Code, is  
4 amended by adding Section 21.0114 to read as follows:

5 Sec. 21.0114. REQUIRED TERMS FOR INSTRUMENTS OF CONVEYANCE  
6 BY CERTAIN PRIVATE ENTITIES. (a) Except as provided by  
7 Subsections (c) and (d), a deed, easement, agreement, or other  
8 instrument of conveyance provided to a property owner by a private  
9 entity, as defined by Section 21.031, that has the power of eminent  
10 domain to acquire the property interest to be conveyed must include  
11 the following terms, as applicable:

12 (1) if the instrument conveys a pipeline right-of-way  
13 easement:

14 (A) the maximum number of pipelines that may be  
15 installed in the easement;

16 (B) the maximum diameter, excluding any  
17 protective coating or wrapping, of each pipeline to be initially  
18 installed in the easement;

19 (C) the type or category of substances permitted  
20 to be transported through each pipeline to be installed in the  
21 easement;

22 (D) a general description of any aboveground  
23 equipment or facility the private entity intends to install,  
24 maintain, or operate on the surface of the easement;

25 (E) any descriptions of the location of the  
26 easement, including metes and bounds or centerline descriptions,  
27 plats, and aerial or other map-based depictions of the location of

1 the easement on the property, that are in the possession of the  
2 private entity when the private entity provides the instrument of  
3 conveyance to the property owner;

4 (F) the maximum width of the easement;

5 (G) the minimum depth at which each pipeline to  
6 be installed in the easement will initially be installed;

7 (H) a provision identifying whether the private  
8 entity intends to double-ditch areas of the easement that are not  
9 installed by boring or horizontal directional drilling;

10 (I) a provision limiting the private entity's  
11 right to assign the entity's interest under the deed, easement,  
12 agreement, or other instrument of conveyance without:

13 (i) written notice to the property owner at  
14 the last known address of the person in whose name the property is  
15 listed on the most recent tax roll of any taxing unit authorized to  
16 levy property taxes against the property; or

17 (ii) if the assignee, including an assignee  
18 that is an affiliate or subsidiary of or entity otherwise related to  
19 the private entity, will not operate each pipeline installed on the  
20 easement as a common carrier line or gas utility, the express  
21 written consent of the property owner, provided the property owner  
22 does not unreasonably withhold consent;

23 (J) a provision describing whether the easement  
24 rights are exclusive, nonexclusive, or otherwise limited;

25 (K) a provision limiting the private entity's  
26 right to grant a third party access to the easement area for a  
27 purpose that is not related to the construction, safety, repair,

1 maintenance, inspection, replacement, operation, or removal of  
2 each pipeline to be installed in the easement;

3 (L) a provision regarding the property owner's  
4 right to recover actual monetary damages arising from the  
5 construction and installation of each pipeline to be installed in  
6 the easement, or a statement that the consideration for the  
7 easement includes any monetary damages arising from the  
8 construction and installation of each pipeline to be installed in  
9 the easement;

10 (M) a provision regarding the property owner's  
11 right after initial construction and installation of each pipeline  
12 to be installed in the easement to actual monetary damages arising  
13 from the repair, maintenance, inspection, replacement, operation,  
14 or removal of each pipeline to be installed in the easement;

15 (N) a provision:

16 (i) regarding the removal, cutting, use,  
17 repair, and replacement of gates and fences that cross the easement  
18 or that will be used by the private entity; or

19 (ii) providing for the payment for any  
20 damage that is not restored;

21 (O) a provision:

22 (i) regarding the private entity's  
23 obligation to restore the easement area and the property owner's  
24 remaining property used by the private entity to as near to original  
25 condition as is reasonably practicable and to maintain the  
26 easement, including restoring the easement to the easement's  
27 original contours and grades; or

1                    (ii) providing for the private entity to  
2 reimburse the property owner for actual monetary damages incurred  
3 by the property owner that arise from damage to the easement area  
4 and the property owner's remaining property caused by the private  
5 entity and not restored; and

6                    (P) a provision describing the private entity's  
7 rights of ingress, egress, entry, and access on, to, over, and  
8 across the easement; and

9                    (2) if the instrument conveys an electric transmission  
10 right-of-way easement:

11                    (A) a general description of any use of the  
12 surface of the easement the entity intends to acquire;

13                    (B) all descriptions of the location of the  
14 easement, including metes and bounds or centerline descriptions,  
15 plats, and aerial or other map-based depictions of the location of  
16 the easement on the property, that are in the possession of the  
17 private entity when the private entity provides the instrument of  
18 conveyance to the property owner;

19                    (C) the maximum width of the easement;

20                    (D) the manner in which the entity will access  
21 the easement;

22                    (E) a provision limiting access to the easement  
23 area by a third party that has not obtained authorization from the  
24 property owner for a purpose that is not related to the transmission  
25 line's construction, safety, repair, maintenance, inspection,  
26 replacement, operation, or removal;

27                    (F) a provision regarding the property owner's

1 right to recover actual monetary damages arising from the  
2 construction, repair, maintenance, replacement, or future removal  
3 of lines and support facilities in the easement, or a statement that  
4 the consideration for the easement includes such future damages;

5 (G) a provision:

6 (i) regarding the removal, cutting, use,  
7 repair, and replacement of gates and fences that cross the easement  
8 or that will be used by the private entity; or

9 (ii) providing for the payment for any  
10 damage that is not restored;

11 (H) a provision regarding the entity's  
12 obligation to restore the easement area and the property owner's  
13 remaining property to the easement area's and the remaining  
14 property's original contours and grades and:

15 (i) a provision regarding the entity's  
16 obligation to restore the easement area and the property owner's  
17 remaining property following any future damages directly  
18 attributed to the use of the easement by the private entity; or

19 (ii) a statement that the consideration for  
20 the easement includes future damages to the easement area and the  
21 property owner's remaining property;

22 (I) a provision describing whether the easement  
23 rights are exclusive, nonexclusive, or otherwise limited; and

24 (J) a prohibition against the assignment of the  
25 entity's interest in the property to an assignee that will not  
26 operate as a utility subject to the jurisdiction of the Public  
27 Utility Commission of Texas or the Federal Energy Regulatory



1 Commission without written notice to the property owner at the last  
2 known address of the person in whose name the property is listed on  
3 the most recent tax roll of any taxing unit authorized to levy  
4 property taxes against the property.

5 (b) The private entity shall notify the property owner that  
6 the property owner may negotiate for the following terms to be  
7 included in a deed, easement, agreement, or other instrument of  
8 conveyance described by Subsection (a):

9 (1) a provision regarding the property owner's right  
10 to negotiate to recover damages, or a statement that the  
11 consideration for the easement includes damages, for:

12 (A) damage to vegetation; and

13 (B) the income loss from disruption of existing  
14 agricultural production or existing leases;

15 (2) a prohibition against any use of the property  
16 being conveyed, other than a use stated in the deed, easement,  
17 agreement, or other instrument of conveyance, without the express  
18 written consent of the property owner;

19 (3) a provision:

20 (A) requiring the private entity to maintain at  
21 all times while the private entity uses the easement, including  
22 during construction and operations on the easement, liability  
23 insurance:

24 (i) issued by an insurer authorized to  
25 issue liability insurance in this state; and

26 (ii) insuring the property owner against  
27 liability for personal injuries and property damage sustained by

1 any person caused by the negligence of the private entity or the  
2 private entity's agents or contractors; or

3 (B) if the private entity is subject to the  
4 jurisdiction of the Public Utility Commission of Texas or has a net  
5 worth of at least \$25 million, requiring the private entity to  
6 indemnify the property owner against liability for personal  
7 injuries and property damage sustained by any person caused by the  
8 negligence of the private entity or the private entity's agents or  
9 contractors; and

10 (4) a provision that the terms of the deed, easement,  
11 agreement, or other instrument of conveyance will bind the  
12 successors and assigns of the property owner and private entity.

13 (c) A private entity, as defined by Section 21.031, or the  
14 property owner may:

15 (1) negotiate for and agree to terms and conditions  
16 not required by Subsection (a) or provided by Subsection (b),  
17 including terms and conditions not included in a subsequent  
18 condemnation petition; and

19 (2) agree to a deed, easement, agreement, or other  
20 instrument of conveyance that does not include the terms required  
21 by Subsection (a).

22 (d) Except as provided by this subsection, this section does  
23 not prohibit a private entity or the property owner from agreeing to  
24 amend the terms required by Subsection (a) after the private entity  
25 makes an initial offer or final offer to the property owner as  
26 required by Section 21.0113. A private entity that changes the  
27 terms required by Subsection (a) must provide a copy of the amended

1 deed, easement, agreement, or other instrument of conveyance to the  
2 property owner not later than the 14th day before the date the  
3 private entity files a condemnation petition relating to the  
4 property.

5 (e) A private entity that amends a deed, easement,  
6 agreement, or other instrument of conveyance to which this section  
7 applies after the initial offer or final offer is not required to  
8 satisfy again any requirement of Section 21.0113 that the private  
9 entity has previously satisfied.

10 (f) A court hearing a suit under this chapter involving  
11 property the acquisition of which is subject to the requirements of  
12 this section:

13 (1) may determine whether the private entity has  
14 complied with the requirements of this section; and

15 (2) if the court determines that the private entity  
16 has not provided to a property owner a deed, easement, agreement, or  
17 other instrument of conveyance that complies with the requirements  
18 of this section, shall:

19 (A) order the private entity to:

20 (i) provide to the property owner a deed,  
21 easement, agreement, or other instrument of conveyance that  
22 complies with the requirements of this section; and

23 (ii) pay to the property owner:

24 (a) all costs related to the private  
25 entity's failure to comply with this section; and

26 (b) any reasonable attorney's fees and  
27 other professional fees incurred by the property owner that are

1 directly related to the private entity's failure to comply with  
2 this section; and

3 (B) abate a pending proceeding until the  
4 instrument is provided.

5 SECTION 4. Section 21.012, Property Code, is amended by  
6 adding Subsection (b-1) to read as follows:

7 (b-1) In addition to the contents prescribed by Subsection  
8 (b), a petition filed by a private entity as defined by Section  
9 21.031 to acquire property for a pipeline or electric transmission  
10 project must state the terms to be included in the instrument of  
11 conveyance under Section 21.0114.

12 SECTION 5. Chapter 21, Property Code, is amended by adding  
13 Subchapter B-1 to read as follows:

14 SUBCHAPTER B-1. ACQUISITION OF PROPERTY BY CERTAIN PRIVATE  
15 ENTITIES

16 Sec. 21.031. DEFINITION. In this subchapter, "private  
17 entity":

18 (1) means:

19 (A) a for-profit entity, however organized,  
20 authorized to exercise the power of eminent domain to acquire  
21 private property for public use; and

22 (B) any affiliate or subsidiary of or entity  
23 related to an entity described by Paragraph (A), including a  
24 for-profit corporation organized under Chapter 67, Water Code, if  
25 the affiliate, subsidiary, or other entity was formed for purposes  
26 of a project for which property may be acquired through eminent  
27 domain; and

1           (2) does not include a railroad operating in this  
2 state on or before September 1, 2019.

3           Sec. 21.032. APPLICABILITY OF SUBCHAPTER. (a) Except as  
4 expressly provided by Section 21.033(d), this subchapter applies  
5 only to a private entity that seeks to acquire for the same pipeline  
6 or electric transmission project 25 or more tracts of real  
7 property, including easements within those tracts, that are owned  
8 by at least 25 separate and unaffiliated property owners.

9           (b) Except as expressly provided by Section 21.0392, this  
10 subchapter does not apply to a private entity that:

11           (1) operates or proposes to construct an electric  
12 transmission line; and

13           (2) is subject to the jurisdiction of the Public  
14 Utility Commission of Texas under Chapter 37, Utilities Code.

15           (c) This subchapter does not apply to the acquisition of a  
16 tract of real property that is an industrial property, including a  
17 tract that contains a refinery, processing facility, underground  
18 storage facility, electric station, industrial facility, power  
19 plant facility, or storage terminal.

20           Sec. 21.033. NOTICE OF PROPERTY OWNER INFORMATION MEETING.

21           (a) A private entity shall, before or at the same time that the  
22 entity makes an initial offer as required under Section 21.0113,  
23 provide a written notice advising the property owner of:

24           (1) the property owner's right to participate in a  
25 meeting to discuss the proposed project, including:

26           (A) if the project is a pipeline, the substances,  
27 products, materials, installations, and structures the private

1 entity intends to transport through, use for, or build as part of  
2 the project; and

3 (B) any regulatory filings for the project; and

4 (2) the date, time, and location of the meeting.

5 (b) The private entity shall send the meeting notice to:

6 (1) the property owner listed for the property on the  
7 most recent tax roll for a taxing unit with authority to levy an ad  
8 valorem tax on the property; or

9 (2) the address for the property listed on the tax roll  
10 described by Subdivision (1).

11 (c) The private entity shall also send the meeting notice  
12 to:

13 (1) any other address that the private entity has for  
14 the property owner; and

15 (2) each county judge of a county in which all or part  
16 of the project section or segment for which the meeting is to be  
17 held is located.

18 (d) If a pipeline involves fewer than 25 separate and  
19 unaffiliated property owners, the private entity shall provide  
20 notice to the property owners in the manner prescribed by this  
21 section that a property owner may request a meeting with the private  
22 entity to receive the information required to be presented by a  
23 private entity under Section 21.037. If a property owner requests a  
24 meeting, the private entity shall hold the meeting not later than  
25 the 30th day after the date the private entity sent the notice to  
26 the property owner.

27 Sec. 21.034. PROPERTY OWNER INFORMATION MEETING. (a) For

1 each contiguous linear section of a proposed project route that is  
2 equal to or less than 100 miles in length, the private entity shall  
3 hold a group property owner meeting. For a project that exceeds 100  
4 miles in length, the private entity shall hold at least one separate  
5 meeting for each 100-mile segment.

6 (b) The private entity shall hold a meeting required under  
7 Subsection (a) in a centrally located public location:

8 (1) appropriate to the size and nature of the meeting;  
9 and

10 (2) as convenient as possible to the majority of  
11 property owners affected by the project or project segment for  
12 which the meeting is required.

13 (c) The private entity shall hold the meeting in a location  
14 the travel distance to which is 50 miles or less for the majority of  
15 property owners who reside on property being acquired for the  
16 project section or segment for which the meeting is to be held.

17 (d) A meeting required under Subsection (a) may not be  
18 scheduled to begin earlier than 5:30 p.m.

19 (e) A meeting required under Subsection (a) may not be held  
20 before the private entity sends at least 25 percent of the initial  
21 offers required by Section [21.0113](#).

22 Sec. 21.035. PERSONS AUTHORIZED TO ATTEND PROPERTY OWNER  
23 INFORMATION MEETING. (a) In addition to the property owner and  
24 the private entity representatives, the following individuals may  
25 attend a meeting held under Section 21.034:

26 (1) an invited relative of the property owner who is  
27 related to the property owner within the third degree by

1 consanguinity or affinity, as determined under Chapter 573,  
2 Government Code;

3 (2) an attorney or licensed appraiser representing the  
4 property owner;

5 (3) an employee or a lessee of the property owner that  
6 has direct knowledge of the property;

7 (4) an employee of an entity with whom the property  
8 owner has contracted for services to manage the property; or

9 (5) a county judge of a county in which all or part of  
10 the project section or segment for which the meeting is held is  
11 located.

12 (b) A private entity may include in the notice required by  
13 Section 21.033 a requirement that the property owner identify  
14 persons described by Subsections (a)(1)-(4) who intend to attend  
15 the meeting not later than two days before the date of the meeting.

16 (c) The number of attendees under Subsections (a)(1)-(4)  
17 may not exceed five individuals for each separate tract of  
18 property.

19 (d) The private entity may require attendees to provide  
20 identification and complete a registration form that includes  
21 contact information.

22 (e) The private entity may take reasonable steps to maintain  
23 safety and decorum at the meeting, including expelling attendees  
24 who do not meet the requirements of this subchapter.

25 (f) The private entity may not deny entry to a property  
26 owner who provides proper identification.

27 Sec. 21.036. PARTICIPATION BY PRIVATE ENTITY REQUIRED. One



1 or more representatives designated by the private entity shall:

2 (1) attend each meeting required by Section 21.034;

3 and

4 (2) participate in those meetings in the manner  
5 prescribed by Section 21.037.

6 Sec. 21.037. PROPERTY OWNER INFORMATION MEETING AGENDA.

7 (a) At a meeting held under Section 21.034:

8 (1) the private entity shall present:

9 (A) the information contained in the landowner's  
10 bill of rights statement required to be provided to a property owner  
11 under Section 21.0112;

12 (B) a description of the public use for which the  
13 entity wants to acquire the real property;

14 (C) the terms required under Section 21.0114 to  
15 be included in a deed, easement, agreement, or other instrument of  
16 conveyance provided by the entity to the property owner;

17 (D) a description of the method and factors used  
18 by the entity to determine the entity's initial offer, including:

19 (i) how damages to remaining property, if  
20 any, were evaluated; or

21 (ii) the name of the person who prepared the  
22 appraisal report, comparative market analysis, broker price  
23 opinion, or market study required under Section 21.0113(c);

24 (E) a description of the private entity's  
25 regulatory filings related to the project;

26 (F) the basis for the private entity's exercise  
27 of eminent domain authority for the project; and

1           (G) the name and contact information, as known at  
2 the time of the meeting, of any third-party contractor to be used by  
3 the entity to acquire the land or undertake the project; and

4           (2) any person who is an authorized attendee of the  
5 meeting must be given an opportunity at the meeting to ask questions  
6 and make comments regarding:

7                   (A) the rights of the property owners;

8                   (B) the proposed public use for which the real  
9 property is to be acquired; and

10                  (C) any terms required under Section 21.0114 to  
11 be included in a deed, easement, agreement, or other instrument of  
12 conveyance provided by the private entity to a property owner.

13           (b) On request, a private entity shall provide, in written  
14 or electronic form, the materials presented by the private entity  
15 at the meeting to a property owner who could not attend the meeting.

16           Sec. 21.038. CONTACT AFTER PROPERTY OWNER INFORMATION  
17 MEETING. A private entity that holds a meeting under Section 21.034  
18 may not contact a property owner for three days following the date  
19 of the meeting. Nothing in this section precludes:

20                   (1) a property owner or an individual allowed to  
21 attend a meeting held under Section 21.034 from contacting the  
22 private entity at any time; or

23                   (2) the private entity from engaging in discussions  
24 with a person described by Subdivision (1) after that person  
25 contacts the entity.

26           Sec. 21.039. PROCEDURES AFTER PROJECT RE-ROUTE. If any  
27 part of the project is re-routed after any meeting is held under

1 Section 21.034, the private entity shall, with respect to that  
2 re-route only, comply with the provisions of this subchapter with  
3 respect to tracts along the re-route.

4 Sec. 21.0391. PRIVATE ENTITY NONCOMPLIANCE. (a) A private  
5 entity subject to this subchapter may not proceed with a special  
6 commissioners' hearing against a property owner unless the private  
7 entity has held a meeting required under this subchapter.

8 (b) If a court hearing a suit under this chapter determines  
9 that a private entity did not comply with the applicable provisions  
10 of this subchapter, the court shall:

11 (1) abate any condemnation proceeding filed by the  
12 private entity until the private entity has complied with this  
13 subchapter;

14 (2) order the private entity to comply with the  
15 applicable provisions of this subchapter; and

16 (3) order the private entity to pay:

17 (A) all costs of the proceeding; and

18 (B) any reasonable attorney's fees and other  
19 professional fees incurred by the property owner that are directly  
20 related to the entity's failure to comply with the applicable  
21 provisions of this subchapter.

22 (c) A condemnation proceeding that is abated under this  
23 section may proceed after a court finds that the private entity has  
24 complied with the applicable provisions of this subchapter.

25 Sec. 21.0392. PROCEDURES FOR CERTAIN PRIVATE ENTITIES  
26 SUBJECT TO JURISDICTION OF PUBLIC UTILITY COMMISSION. (a) This  
27 section applies only to a private entity that proposes to exercise

1 the power of eminent domain to construct an electric transmission  
2 line and is subject to the authority of the Public Utility  
3 Commission of Texas under Chapter 37, Utilities Code.

4 (b) A private entity to which this section applies and that  
5 is required by the Public Utility Commission of Texas to conduct a  
6 public meeting in connection with the electric transmission line  
7 project shall present at the meeting:

8 (1) the information contained in the landowner's bill  
9 of rights required to be provided to a property owner under Section  
10 21.0112;

11 (2) the terms required under Section 21.0114 to be  
12 included in a deed, easement, agreement, or other instrument of  
13 conveyance provided by the entity to the property owner;

14 (3) the name and contact information of any  
15 third-party contractor or right-of-way agent that will contact a  
16 property owner or seek access to the property owner's property in  
17 connection with the project, to the extent available;

18 (4) the name and contact information, including direct  
19 telephone number and e-mail address, for an agent or employee of the  
20 entity with authority to answer questions about the electric  
21 transmission line project;

22 (5) the method for calculating the value of the  
23 property being acquired by the entity and the damages, if any, to  
24 the property owner's remaining property, as part of the entity's  
25 initial offer to a property owner; and

26 (6) a detailed summary of procedures for right-of-way  
27 acquisition after the route for the electric transmission line has

1 been selected.

2 (c) The private entity must give property owners the  
3 opportunity to ask the entity questions regarding eminent domain  
4 and right-of-way acquisition at the meeting.

5 (d) After the Public Utility Commission of Texas adopts a  
6 route for the electric transmission line, the entity shall provide  
7 by letter to each property owner on the route:

8 (1) a copy of the entity's draft easement form  
9 containing a statement of the terms required by Section 21.0114 to  
10 be included in a deed, easement, agreement, or other instrument of  
11 conveyance provided by the entity to the property owner;

12 (2) an explanation of the initial offer process and  
13 the basis for calculating the value of the property being acquired  
14 by the entity and the damages, if any, to the property owner's  
15 remaining property as part of the initial offer required by Section  
16 21.0113;

17 (3) a statement of the property owner's right under  
18 Section 21.0113 to receive a copy of the written appraisal with the  
19 final offer, if a copy of the written appraisal has not previously  
20 been provided to the property owner by the entity;

21 (4) an explanation of the negotiation process,  
22 including the name and contact information of any right-of-way  
23 agent who will be participating in the process; and

24 (5) the name and contact information, including the  
25 direct telephone number and e-mail address, for an agent or  
26 employee of the entity with authority to answer questions about the  
27 electric transmission line project.

1       (e) On request, a private entity shall provide, in written  
2 or electronic form, the materials presented by the private entity  
3 at the meeting to a property owner who could not attend the meeting.

4       SECTION 6. Section 21.042, Property Code, is amended by  
5 adding Subsection (d-1) to read as follows:

6       (d-1) In estimating injury or benefit under Subsection (c)  
7 in a condemnation proceeding relating to the acquisition of real  
8 property by a private entity as defined by Section 21.031 for a  
9 pipeline or electric transmission project, the special  
10 commissioners shall consider, in addition to the considerations  
11 required under Subsection (d), an injury or benefit to the  
12 remaining property as a result of:

13               (1) the characteristics, size, or visibility of any  
14 infrastructure on the condemned property;

15               (2) any limitation of future expansion of the  
16 remaining property; and

17               (3) terms of the easement acquired in connection with,  
18 or the alignment of an easement in connection with, the  
19 condemnation.

20       SECTION 7. (a) Except as provided by Subsection (b) of this  
21 section, the changes in law made by this Act apply only to the  
22 acquisition of real property in connection with an initial offer  
23 made under Chapter 21, Property Code, on or after the effective date  
24 of this Act. An acquisition of real property in connection with an  
25 initial offer made under Chapter 21, Property Code, before the  
26 effective date of this Act is governed by the law applicable to the  
27 acquisition immediately before the effective date of this Act, and

1 that law is continued in effect for that purpose.

2 (b) Section 21.0392, Property Code, as added by this Act,  
3 applies only to a public meeting required under Chapter 37,  
4 Utilities Code, held on or after the effective date of this Act.

5 SECTION 8. This Act takes effect September 1, 2019.