

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 17, 2019

TO: Honorable Tom Craddick, Chair, House Committee on Land & Resource Management

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1253 by Leman (Relating to establishing actual progress for the purposes of determining the right to repurchase real property from a condemning entity.), **As Introduced**

There is an indeterminate fiscal impact to the state from the provisions of the bill due to the case by case nature of the requirements on previous and future condemnations.

Except for certain jurisdictions, the bill would amend the Property Code to increase from two to three the number of actions required by a condemning authority that make progress towards the development of the property that led to the condemnation action. Current statute establishes that failure to meet these requirements for "actual progress" within ten years of the date the property was acquired by condemnation entitles the original landowner to repurchase the real property.

According to the Department of Transportation, no determinable fiscal impact can be calculated; however, narrowing the definition of and increasing the standard to show "actual progress" could subject more of the property acquired by the agency for roadway purposes to a right of repurchase by the preceding landowner, which in turn could make long-term, advanced right of way acquisition and road planning more costly and difficult.

Local Government Impact

According to the City of Houston, while the scenario rarely occurs, it could be costly for the City should it be required to sell property back to the landowner. Costs that could arise would be legal fees and loss of any investments or improvements made by the City to the property.

Source Agencies: 304 Comptroller of Public Accounts, 305 General Land Office and
Veterans' Land Board, 601 Department of Transportation, 802 Parks and
Wildlife Department

LBB Staff: WP, SZ, JQ, GP, BRi, CMa