LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 2, 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: SB552 by Schwertner (Relating to notice of a property owner's rights relating to the examination or survey of property by an entity with eminent domain authority.), As Engrossed

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to require notice of a property owner's rights concerning the examination or survey of property by an entity with eminent domain authority and requires a condemning entity to inform the property owner of the right to refuse to grant permission to enter the property and conduct an examination or survey of the property unless compelled by court order.

According to the Office of Court Administration, the bill could increase awareness of a litigant's rights but does not impose any significant new obligation on the courts. No significant fiscal impact to the state court system is anticipated.

According to the Office of the Attorney General (OAG), the bill could result in an increase in the number of pre-litigation cases as property owners are informed of their legal rights in eminent domain cases. Because the bill would simply provide notice of current legal rights that property owners have, any additional legal work can be reasonably absorbed within existing resources.

According to the Board of Professional Land Surveyors, the bill would have no State fiscal impact.

According to the Department of Transportation, the bill could affect the agency by creating delays in the condemnation process. The agency also expects that the number of parcels referred to the OAG would increase. The agency expects that the flat fee paid to OAG through its interagency contract dealing with these cases to increase. This fiscal impact cannot be determined.

Given that OAG has indicated any expected increase could be handled within existing resources, no significant fiscal impact to the state is anticipated.

Local Government Impact

According to the Office of Court Administration, the bill could increase awareness of a litigant's rights but does not impose any significant new obligation on the courts. No significant fiscal impact to local courts is anticipated.

According to the Department of Transportation, many local governmental entities have eminent domain authority similar to the agency and the bill would have the same undeterminable fiscal impact to these local government impact.

According to the City of Houston, the bill would significantly slow down most projects requiring survey access and this would cause significant delay in the planning and development stages of these projects, especially large diameter water line projects. The City also anticipates significant legal expenses should it be forced to seek judicial relief on numerous parcels of property every month.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 464 Board of Professional Land Surveying, 601 Department of Transportation

LBB Staff: WP, SZ, CMa, SD, GP, DFR