

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 3, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4107 by Burrows (Relating to the exercise of the power of eminent domain by a common carrier pipeline.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Natural Resources Code to require a common carrier, as defined in §111.002, to make a good faith effort to negotiate with a property owner the route or location of a pipeline or incidental facility on the owner's property. The bill would also require an agent of a common carrier to receive written permission from the property owner before entering the property for the purpose of making a preliminary survey for the use of the power of eminent domain and abide by certain conditions once permission is granted.

Based on information provided by the Railroad Commission and the Department of Transportation, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

The bill would apply only to condemnation proceedings in which a petition has been filed on or after the effective date, or September 1, 2021.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 601 Department of Transportation

LBB Staff: JMc, AJL, DA