By:  Schwertner S.B. No. 1513

(In the Senate - Filed March 3, 2023; March 16, 2023, read first time and referred to Committee on State Affairs; April 12, 2023, reported favorably by the following vote: Yeas 10, Nays 0; April 12, 2023, sent to printer.)

COMMITTEE VOTE

               Yea Nay Absent  PNV

Hughes          X

Paxton          X

Bettencourt     X

Birdwell        X

LaMantia        X

Menéndez        X

Middleton       X

Parker          X

Perry           X

Schwertner      X

Zaffirini                 X

A BILL TO BE ENTITLED

AN ACT

relating to certain requirements in connection with the acquisition of real property for public use by an entity with eminent domain authority.

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

SECTION 1.  Section 402.031, Government Code, is amended by amending Subsection (c) and adding Subsection (c-2) to read as follows:

(c)  The statement must include:

(1)  the title, "Landowner's Bill of Rights"; and

(2)  a description of:

(A)  the condemnation procedure provided by Chapter 21, Property Code;

(B)  the condemning entity's obligations to the property owner, including the responsibility for any damages arising from an examination or survey of the property; [~~and~~]

(C)  the property owner's options during a condemnation, including the property owner's right to:

(i)  refuse to grant permission to the condemning entity to enter the property and conduct an examination or survey of the property;

(ii)  negotiate the terms of the examination or survey of the property; and

(iii)  object to and appeal an amount of damages awarded; and

(D)  the condemning entity's right to sue for a court order authorizing the examination or survey if the property owner refuses to grant permission for the examination or survey.

(c-2)  The statement must disclose that a condemning entity, other than an entity acquiring property as authorized under Subchapter D, Chapter 203, Transportation Code, that makes an initial offer under Section 21.0113, Property Code, that includes real property that the entity does not seek to acquire by condemnation shall in the initial offer:

(1)  separately identify the real property that the entity does not seek to acquire by condemnation; and

(2)  make an offer for the real property that the entity does not seek to acquire by condemnation separate from the offer made for the real property sought to be acquired by condemnation.

SECTION 2.  Subchapter B, Chapter 21, Property Code, is amended by adding Section 21.01101 to read as follows:

Sec. 21.01101.  SURVEY PERMISSION FORM. If an entity with eminent domain authority provides a form to an owner of real property requesting the owner's permission to enter the property to examine the property or conduct a survey of the property in connection with the potential acquisition of the property for a public use, the form must conspicuously state that:

(1)  the owner has a right to refuse to grant permission to the entity to enter the property and conduct the examination or survey;

(2)  the entity has a right to sue for a court order authorizing the entity to enter the property and conduct the examination or survey if the owner refuses to grant the permission;

(3)  the owner has a right to negotiate the terms of the examination or survey of the property; and

(4)  the entity has the responsibility for any damages arising from an examination or survey of the property.

SECTION 3.  Section 21.0112(a), Property Code, is amended to read as follows:

(a)  At the time [~~Not later than the seventh day before the date~~] a governmental or private entity with eminent domain authority makes an initial [~~a final~~] offer to a property owner to acquire real property, the entity must send by first-class mail or otherwise provide a landowner's bill of rights statement provided by Section 402.031, Government Code, to the last known address of the person in whose name the property is listed on the most recent tax roll of any appropriate taxing unit authorized by law to levy property taxes against the property. In addition to the other requirements of this subsection, an entity with eminent domain authority shall provide a copy of the landowner's bill of rights statement to a landowner before or at the same time as the entity first represents in any manner to the landowner that the entity possesses eminent domain authority.

SECTION 4.  Section 21.0113(b), Property Code, is amended to read as follows:

(b)  An entity with eminent domain authority has made a bona fide offer if:

(1)  an initial offer is made in writing to a property owner that includes:

(A)  a copy of the landowner's bill of rights statement prescribed by Section 402.031, Government Code, provided in accordance with Section 21.0112 and including the addendum prescribed by Section 402.031(c-1), Government Code, if applicable;

(B)  a statement, in bold print and a larger font than the other portions of the offer, indicating whether the compensation being offered includes:

(i)  damages to the remainder, if any, of the property owner's remaining property; or

(ii)  an appraisal of the property, including damages to the remainder, if any, prepared by a certified appraiser certified to practice as a certified general appraiser under Chapter 1103, Occupations Code;

(C)  an instrument of conveyance, provided that if the entity is a private entity as defined by Section 21.0114(a), the instrument must comply with Section 21.0114, as applicable, unless:

(i)  the entity has previously provided an instrument complying with Section 21.0114;

(ii)  the property owner desires to use an instrument different than one complying with Section 21.0114 and consents in writing to use a different instrument; or

(iii)  the property owner provided the entity with the instrument prior to the issuance of the initial offer; and

(D)  the name and telephone number of a representative of the entity who is:

(i)  an employee of the entity;

(ii)  an employee of an affiliate providing services on behalf of the entity;

(iii)  a legal representative of the entity; or

(iv)  if the entity does not have employees, an individual designated to represent the day-to-day operations of the entity;

(2)  a final offer is made in writing to the property owner;

(3)  the final offer is made on or after the 30th day after the date on which the entity makes a written initial offer to the property owner;

(4)  before making a final offer, the entity obtains a written appraisal from a certified appraiser of the value of the property being acquired and the damages, if any, to any of the property owner's remaining property;

(5)  the final offer is equal to or greater than the amount of the written appraisal obtained by the entity;

(6)  the following items are included with the final offer or have been previously provided to the owner by the entity:

(A)  a copy of the written appraisal; and

(B)  a copy of the deed, easement, or other instrument conveying the property sought to be acquired; and

[~~(C) the landowner's bill of rights statement prescribed by Section 21.0112; and~~]

(7)  the entity provides the property owner with at least 14 days to respond to the final offer and the property owner does not agree to the terms of the final offer within that period.

SECTION 5.  Subchapter B, Chapter 21, Property Code, is amended by adding Section 21.0115 to read as follows:

Sec. 21.0115.  OFFER TO ACQUIRE ADDITIONAL PROPERTY; EXCEPTION. (a) Except as provided by Subsection (b), a condemning entity that makes an initial offer under Section 21.0113 that includes real property that the entity does not seek to acquire by condemnation shall in the initial offer:

(1)  separately identify the real property that the entity does not seek to acquire by condemnation; and

(2)  make an offer for the real property that the entity does not seek to acquire by condemnation separate from the offer made for the real property sought to be acquired by condemnation.

(b)  Subsection (a) does not apply to an acquisition of real property under Subchapter D, Chapter 203, Transportation Code.

SECTION 6.  The office of the attorney general shall make the landowner's bill of rights statement required by Section 402.031, Government Code, as amended by this Act, available on the attorney general's Internet website not later than January 1, 2024.

SECTION 7.  The changes in law made by this Act to Sections 21.0112 and 21.0113, Property Code, apply only to the acquisition of real property in connection with an initial offer made under Section 21.0113, Property Code, on or after the effective date of this Act. The acquisition of real property in connection with an initial offer made under Section 21.0113, Property Code, before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 8.  This Act takes effect January 1, 2024.

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