BILL ANALYSIS

H.B. 2011 By: Bell, Cecil Land & Resource Management Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current state law, a governmental entity with eminent domain authority can acquire real property owned by a property owner for a public use, but a person from whom a real property interest is acquired by an entity through eminent domain is entitled to repurchase the property under certain conditions. Additionally, the bill author has informed the committee that some entities that use eminent domain authority to acquire real property that are required to pay property taxes fail to do so and that those taxes can remain delinquent for multiple years. H.B. 2011 seeks to entitle a former property owner to repurchase the property taxes on the property taxes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2011 amends the Property Code to entitle a person from whom a real property interest is acquired by an entity through eminent domain for a public use, or that person's heirs, successors, or assigns, to repurchase the property if the entity that acquired the property through eminent domain has an obligation to pay property taxes on the acquired property and has failed to pay any property taxes on the acquired property before the second anniversary of the date on which the unpaid taxes became due. Accordingly, the bill includes among the contents of the right of repurchase notice sent by a condemning entity to the previous property owner an applicable statement that property taxes owed by the entity are delinquent.

H.B. 2011 authorizes a property owner from whom real property was acquired by an entity that is responsible for paying property taxes on the acquired property, or the owner's heirs, successors, or assigns, to request at any time after the 18-month anniversary of the acquisition, but not more than once annually, that the condemning entity make a determination and provide a statement and other relevant information regarding the following:

- whether all property taxes on the acquired property have been paid; or
- if any property taxes on the acquired property have not been paid:
 - the amount of the unpaid property taxes;
 - \circ $\,$ each due date of any unpaid property taxes; and
 - whether the entity has a good faith intention to pay the unpaid property taxes.

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H.B. 2011 authorizes a person entitled to repurchase real property due to a condemning entity's delinquent property taxes to inform the condemning entity of the person's intent to repurchase the property before notice describing the person's right to repurchase the property or information regarding the condemned property is required or provided under applicable state law or the bill's provisions.

H.B. 2011 applies only to a condemnation proceeding in which the petition is filed on or after the bill's effective date and to any property condemned through the proceeding. A condemnation proceeding in which the petition is filed before the bill's effective date and any property condemned through the proceeding are governed by the law in effect immediately before the bill's effective date, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.