

SUBJECT: Requiring disclosure of appraisal reports in eminent domain proceedings

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 9 ayes — Deshotel, Leman, Biedermann, Burrows, Craddick, Romero, Rosenthal, Spiller, Thierry

0 nays

WITNESSES: For — (*Registered, but did not testify:* Petrus Wassdorf, Delta Troy Interests; Judith McGeary, Farm and Ranch Freedom Alliance; Cyrus Reed, Lone Star Chapter Sierra Club; Adrian Shelley, Public Citizen; Eric Opiela, South Texans' Property Rights Association; Jeremy Fuchs, Texas and Southwestern Cattle Raisers Association; Josh Winegarner, Texas Cattle Feeders Association; Brian Adamek, Russell Boening, Mark Daniel, John Griffith, J Walt Hagood, Charlie Leal, Pat McDowell, and Kevin Wikerson, Texas Farm Bureau; Jennifer Bremer, Texas Land & Mineral Owners Association; Jimmy Gaines, Texas Landowners Council; Rita Beving, Texas Landowners for Eminent Domain Reform; Julia Parenteau, Texas Realtors; Trey Duhon, Waller County; and 10 individuals)

Against — None

On — (*Registered, but did not testify:* Jessica Karlsruher, TREAD Coalition)

BACKGROUND: Property Code sec. 21.0111 requires a property owner to disclose to an entity seeking to acquire the property through eminent domain any appraisal reports produced or acquired by the owner relating specifically to the property and used in determining the owner's opinion of value. The disclosure must take place no later than three business days before the date of a special commissioner's hearing, if the report is to be used at the hearing.

Concerns have been raised that only the property owner must submit

appraisal reports ahead of a special commissioner's hearing while the entity seeking to acquire the property does not have to make such a disclosure.

DIGEST: HB 2041 would require an entity seeking to acquire real property through eminent domain to disclose to the property owner any appraisal reports produced or acquired by the entity relating specifically to the owner's property and used in determining the entity's opinion of value, if an appraisal report was to be used at a special commissioner's hearing. The disclosure would have to be made no later than the third business day before the hearing.

The bill would take effect September 1, 2021, and apply only to a condemnation proceeding commenced on or after that date.