



AUSTIN NEWSLETTER

Texas Farm Bureau's Weekly Newsletter for the 86th Legislature

April 5, 2019 | Regular Session, Issue 13
86th Regular Session

Every Friday, this newsletter will keep you up to speed on some of the legislation important to Texas Farm Bureau members that Austin staff are following.

Please do not hesitate to contact the appropriate staff with any questions.

Eminent Domain Reform Passes the Senate!

SB 421, by Sen. Lois Kolkhorst (R-Brenham), was passed out of the Senate on April 4 with a 28-3 vote. The stakeholder groups have spent multiple weeks negotiating the bill with Lt. Gov. Dan Patrick, Sen. Kolkhorst and Rep. DeWayne Burns. This was following weeks of negotiations initiated by Rep. Burns.

Unfortunately, a consensus was not reached on SB 421. Therefore, Sen. Kolkhorst decided to cease negotiations and attempt to vote the bill out of the Senate due to the fact we are now over halfway through the session. Fortunately, her Senate colleagues supported her in moving SB 421 out of the Senate. Rep. Burns will now resume negotiations in the Texas House.

The following is a summary of the final components in the bill that was voted out.

Low Initial Offer:

- Removes the penalties based on the Special Commissioners Award.
- Requires all offers to be based on fair market value and include damages to the remainder.
- Initial offer must be based on an appraisal, broker price opinion, comparative market analysis or market study.
- All of these methods of valuation must include damages to the remainder.
- All of these valuations must be conducted by a certified appraiser or licensed real estate broker.

Easement Terms:

- Every easement will include the basic easement terms that dictate the use of the easement, protections during construction and payment of damages to the property.
- Landowner may abate a condemnation if the easement doesn't include these terms.
- Providing an easement with the basic terms will be required as part of the Bona Fide offer.

Landowner Meeting:

- Amends the definition of private entity to specify the bill applies to FOR-PROFIT entities, not non-profit or public entities.
- Removes the court from organizing and facilitating the meeting. The company will hold the meeting.
- The notice of the meeting will not be made available to the public. Only affected landowners get the notice.
- The company will have a meeting if 25 or more tracts of land owned by separate people are affected by a project. If less than 25 tracts are affected, the company will meet with landowners that request a meeting.
- Tracts owned by industrial facilities will not qualify for a property owner meeting. These are a refinery, processing facility, underground storage facility, electric station, power plant or storage terminal.
- Meetings will be held for each 100 mile segment in a central location so that no one has to drive more than 50 miles.
- Meeting will be held after 25% of the property owners receive an initial offer.
- The "property owner information meeting" will be limited to the property owner, relatives, tenants and employees. Landowners can have up to five people attend the meeting.
- Electric companies will include the eminent domain information in their current PUC routing meetings, instead of having a separate landowner meeting under this law.
- If the meeting is not held as required, then the condemnation can be abated.

Texas Farm Bureau SUPPORTED SB 421 as it was voted out from the Senate.

To watch the archived video of SB 421 being laid out by Sen. Kolkhorst, click [here](#). The coverage starts at 2:27:01.

Industrial Hemp

HB 1325, by Rep. Tracy King (D-Uvalde), was heard and left pending in the House Agriculture and Livestock Committee on April 1. HB 1325 relates to the production and regulation of hemp and products made from hemp; requiring authorization to produce

hemp; and authorizing penalties and fees. The bill creates a production plan and a state hemp program and requires participation in the state hemp program in order to cultivate, handle, or process hemp in Texas. This bill was outlined in the sixth issue of the *Austin Newsletter*.

TFB supports HB 1325. (TFB Policy: Agriculture Commodities 109, lines 23-25)

Bob Avant, Williamson CFB president from Taylor, testified on behalf of Texas Farm Bureau in support of the bill from the perspective that farmers deserve the right to grow a crop that is already legal on the federal level and is legally sold in the state. He noted that on April 5, the Texas Department of State Health Services rule change will become effective, and hemp will be removed from the Texas controlled substances list. Thus, now is the opportunity to remove any potential statutory restrictions on growing the crop and create a clear path for interested producers to become licensed growers. Avant kept his comments specific to the right to grow rather than commenting on the specifics of the legislation.

Other notable testimony in support of HB 1325 included:

- **Jeff Lake with Elemental Processing.** Lake and his business partner have been processing hemp from Kentucky, Tennessee and Oregon for years and are eager to process the Texas crop. They recently purchased an old coffee warehouse in Houston capable of producing 150 million pounds of hemp per year.
- **Jeff Williams with Clayton Williams Farms.** Williams is an interested hemp producer with a large irrigated farm in West Texas. He's been studying hemp production and the market for years and wants the right to grow in Texas.

There was no opposition to the bill.

To see a complete list of the people who testified for or on HB 1325, [click here](#). Then click on the Witness List for the April 1 meeting. The hearing coverage on the bill starts at 8:26 at this [link](#).

Education

HB 3 by Rep. Dan Huberty (R-Houston), more commonly known as the House School Finance Bill, was heard before the house on Wednesday. This bill seeks to offer some tax relief by adjusting the funding formulas to balance the state's share of public education funding. HB 3 also outlines the funding allotments for which the school systems will fund their education programs.

Texas Farm Bureau put out a floor alert to support an amendment to restore Career and

Technology funding. The amendment authored by Rep. Donna Howard of Austin and Rep. DeWayne Burns of Cleburne ensured that Career and Technology Education programs would continue to receive the amount of funding provided to these programs under current law. The amendment was favorably adopted.

TFB supports HB 3. (TFB Policy: Program 179, lines 97-99)

Groundwater Rights

SB 851 and HB 2125 both relate to the current unfair law that requires a landowner to pay a groundwater conservation district attorney's fee if they challenge a district's rules or permitting decision in court and lose. But it does not allow a landowner to recover their attorney's fees.

SB 851, by **Sen. Charles Perry (R-Lubbock)**, was voted favorably from the Senate Water and Rural Affairs Committee on March 25. SB 851 requires that in a court case against a groundwater conservation district, the judge may award attorney's fees to the prevailing party. The attorney fees may not exceed \$250,000.

HB 2125, by **Rep. DeWayne Burns (R-Cleburne)**, was heard and left pending in the House Natural Resources Committee on April 2. HB 2125 simply removes the mandate that the judge award the district's attorney fees against the landowner. Instead, the judge would have the discretion to award the attorney fees, if the judge believes it is justified. This bill was reported on in the seventh issue of the *Austin Newsletter*.

TFB supports SB 851 and HB 2125. (TFB Policy: Property Rights, lines 2-5; Groundwater 153, lines 140-145)

HB 2123, by **Rep. Cody Harris (R- Palestine)**, was voted favorably from the House Natural Resource Committee on April 2. This bill gives a landowner or groundwater rights owner the right to petition the groundwater conservation district to consider amending its rules. Currently, the law does not give anyone a legal right to formally request that a district amend its rules. The bill was described in the seventh issue of the Austin Newsletter, and a committee hearing update was given in the twelfth issue of the *Austin Newsletter*.

TFB supports HB 2123. (TFB Policy: Groundwater 153, lines 57-59)

Bees

HB 4212, by **Rep. Terry Meza (D-Irving)**, establishes requirements for a bee removal

professional training program within the Texas Department of Agriculture (TDA). Individuals who acquire the license or certification would be required to carry insurance in the amount of \$600,000 in aggregate and \$300,000 per incident, plus workman's comp. Further, the training program must include at least 80 hours of classroom instruction and 80 hours of practical instruction, plus a final exam.

HB 4212 has been referred to the House Agriculture and Livestock Committee.

TFB respectfully opposes HB 4212. (TFB Policy: Honey 118, lines 39-41)



Texas Farm Bureau State Legislative Team

Billy Howe, Associate Director of Government Affairs

Issue Areas: Natural Resources, Environmental Regulation, Ethics & Elections, Rural Affairs, and Appropriations

Email: bhowe@txfb.org

Austin Office Phone: 512-472-8288

Marissa Patton, Associate Legislative Director

Issue Areas: Agriculture, Eminent Domain, Land Use Regulation, and Appropriations

Email: mpatton@txfb.org

Mike Pacheco, Associate Legislative Director

Issue Areas: Criminal Justice, Energy, Labor, Taxes, Transportation, Utility Regulation, Tort, and Appropriations

Email: mpacheco@txfb.org

FOLLOW US ON TWITTER!

If you would like immediate updates on the action in Austin, follow the Austin Legislative Staff on Twitter.

Billy Howe: [@TFBGovAff_Billy](#)

Marissa Patton: [@TFBAUS_Marissa](#)

Mike Pacheco: [@TFBAUS_Mike](#)

Texas Farm Bureau: [@texasfarmbureau](#)

Contact

State Office

P.O. Box 2689

Waco, Texas 76702-2689

254.772.3030

Austin Office

600 W. 12th Street

Austin, Texas 78701

512.472.8288

Fax: 512.472.9120



TEXAS FARM BUREAU®