





March 12, 2019

The Honorable Dan Patrick Lieutenant Governor of Texas P.O. Box 12068 Austin, TX 78711

Re: CSSB 421

Dear Lt. Governor Patrick:

The Texas and Southwestern Cattle Raisers Association, Texas Farm Bureau, Texas Wildlife Association and many other important stakeholder groups would like to thank you and Senator Kolkhorst for your leadership in drafting a compromise bill to correct many of the problems that currently exist with Texas' eminent domain laws.

On March 6, 2019, you called together the stakeholders on S.B. 421 to encourage both sides to reach a compromise. As a result of that meeting, the groups were directed to submit their best committee substitute language to Sen. Kolkhorst in preparation for a Senate State Affairs Committee meeting on Monday, March 11, 2019.

We applaud Sen. Kolkhorst for the arduous task of reconciling the concepts provided by both sides and drawing tough lines where consensus could not be reached. Though we, nor other stakeholders, had the opportunity to approve the language before the vote, we believe Sen. Kolkhorst did an admirable job in identifying reasonable language that assuages the concerns of all parties. Though no language will ever completely satisfy every stakeholder, the committee substitute to S.B. 421 makes numerous changes, including:

- 1. Fulfilled infrastructure coalition requests to significantly change easement term language, including taking language submitted directly from the Coalition for Critical Infrastructure during ongoing negotiations in the House to mitigate concerns over increased litigation (Sec. 21.0114);
- 2. Fulfilled infrastructure coalition requests to allow the condemning entity to hold property owner meetings in place of local elected officials to address concerns about project delays (Sec. 21.034);
- 3. Fulfilled infrastructure coalition requests to change the public meeting to a property owner meeting with significant limitations on who can attend to address concerns about activism (Sec. 21.035);
- 4. Fulfilled infrastructure coalition requests to limit meeting notice to only affected landowners to address concerns about activism and anti-fossil fuel demonstrations (Sec. 21.036);
- 5. Fulfilled infrastructure coalition requests to replace a penalty based on a special commissioner's hearing award with an upfront, predictable standard that uses a market value study or appraisal, the current objective standard for assessing property value before an initial offer (Sec. 21.0113).

The committee substitute crafted by Sen. Kolkhorst is vastly different from the filed bill, which directly addressed many concerns brought by property owners. The largest example of this is the complete exclusion of the penalty provision, but many others are meticulous details like prohibiting the news media from attending meetings on a public process.

As property owners we do not seek to hinder Texas' status as a leader in energy and recognize the need to come to the table with significant compromise. We recognize that on such a divisive issue it is unlikely that every party will agree 100% to every word, which is why we so appreciate Sen. Kolkhorst making the tough decisions she did to balance the interests of energy groups and Texas property owners.

As such, the Texas and Southwestern Cattle Raisers Association, Texas Farm Bureau and Texas Wildlife Association support the passage of CSSB 421 by the full Senate. We look forward to that vote and will be encouraging legislators to support CSSB 421 as negotiated language that balances the rights of Texas property owners with energy development.

Thank you for your work on this issue to raise the bar and protect Texas property owners by adding transparency, fairness and accountability to the eminent domain process.

Sincerely,

Bobby McKnight, Jr.

President

Texas and Southwestern Cattle Raisers Association Russell Boening

President

Texas Farm Bureau

J. David Anderson

President

Texas Wildlife Association

cc: Members of the Texas Senate