

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2306

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Ramadan

3. Committee: Passed both houses

4. Title: Eminent domain; just compensation; tax assessments.

5. Summary: The proposed legislation would amend how state agencies determine just compensation when taking property through eminent domain. Currently, the agencies cannot make an offer below the agency's approved appraisal of fair market value. The proposed bill would require agencies to also consider the property's current assessed value for real estate taxes, if the state is acquiring the entire assessed parcel, and pay whichever amount is greater. The bill includes a provision stating that nothing in the bill shall make evidence of tax assessments admissible as proof of value in an eminent domain proceeding.

6. Budget Amendment Necessary: None.

7. Fiscal Impact Estimates: Final. See Item 8.

8. Fiscal Implications: The bill would alter how state agencies are to determine just compensation for takings through eminent domain. Any fiscal impact resulting from the provisions of this bill cannot be determined at this time as it will depend on the appraisal and assessment on the specific parcels of land involved. Using data from the past three years, VDOT determined that if the provisions of the bill were in place, the agency would have paid an additional \$330,000 when the tax assessment on the parcel exceeded the appraised value.

9. Specific Agency or Political Subdivisions Affected: Department of Transportation, other agencies using eminent domain

10. Technical Amendment Necessary: None.

11. Other Comments: None.

Date: 3/14/2013 dpb/smc

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