

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0625-01  
Bill No.: SB 2  
Subject: Eminent Domain and Condemnation  
Type: Original  
Date: January 15, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>(\$0 to Unknown)</b>	<b>(\$0 to Unknown)</b>	<b>(\$0 to Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

**Department of Transportation (MoDOT)** officials, in their response to an identical proposal from the 2000 legislative session, stated that fiscal impact would depend upon the number of condemnations abandoned and the amount of fees assessed. Officials stated they very rarely abandon an acquisition on a project and assume this proposal would have minimal fiscal impact.

**Oversight** assumes if MoDOT were to abandon a condemnation proceeding in a given year, any related costs would either be absorbed within existing appropriations or presented as a decision item for the MoDOT budget.

**Department of Conservation** officials assume this proposal would have no fiscal impact on MDC funds since it is the Department's policy not to use condemnation.

**Office of Administration - Division of Design and Construction** officials assume this proposal would have no fiscal impact to their division or state funds.

**Department of Natural Resources** officials assume this proposal would have no fiscal impact to their agency, since that agency has used eminent domain only once in the last fifteen years.

**Oversight** assumes this proposal could result in unknown costs to local governments in a given year. (Oversight also notes, however, that the chance of incurring costs could be reduced if condemnation proceedings were more thoroughly investigated and evaluated to determine the value of pursuing them before legal action is initiated.)

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>POLITICAL SUBDIVISIONS</b>			
<u>Costs - Condemnation Abandonments</u>	(\$0 to Unknown)	(\$0 to Unknown)	(\$0 to Unknown)
<b>ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS</b>	<u><b>(\$0 TO UNKNOWN)</b></u>	<u><b>(\$0 TO UNKNOWN)</b></u>	<u><b>(\$0 TO UNKNOWN)</b></u>

FISCAL IMPACT - Small Business

Small businesses involved in condemnation proceedings could be impacted by this proposal as it would provide additional protection when proceedings are abandoned.

DESCRIPTION

This proposal would require cities and other condemners who abandon condemnation proceedings to pay the land owner's costs, expenses, and reasonable attorney fees.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Missouri Department of Transportation  
Missouri Department of Conservation  
Missouri Department of Natural Resources  
Office of Administration-Division of Design and Construction



Jeanne Jarrett, CPA  
Director  
January 15, 2001