SSB 5372 - S AMD By Senators Snyder, Anderson, West, Hargrove, Bluechel, Owen, McCaslin, Sellar, McDonald and Newhouse SCOPED - RULED OUT OF ORDER 3/15/93 On page 34, line 12, after "16" strike "and 17" and insert ", 17, and 45 through 59" SCOPED - RULED OUT OF ORDER 3/15/93 On page 34, after line 15, insert the following:

- "NEW SECTION. Sec. 45. (1)(a) Whenever implementation by the state or any of its political subdivisions of a scheme directly or indirectly regulating the use of land operates to reduce the assessed value of a parcel of real property immediately prior to such implementation, the parcel is deemed to be taken for public use.
 - (b) The following definitions apply throughout this chapter:
 - (i) "Compensation" means cash or in-kind payment, if the affected property owner agrees to in-kind payment and then agrees to the in-kind payment actually offered, including but not limited to clustering; transfer of development rights; staging of concurrency; land trades; environmental mitigation credits for prior activity of owners; density bonuses; or adjustments to restrictions on lot size, number of units, or building dimensions.
 - (ii) "Parcel" means one or more contiguous tax lots of an owner.
- (iii) "Owner" includes one or more natural or legal persons who own the parcel, whether as sole owner, marital community, cotenants, or tenants in partnership or as a corporation.
 - (iv) "Scheme regulating the use of land" means one regulation or government action affecting the use of land; or more than one such regulation or action, though occurring at different times or by different governmental entities, with the same or similar policy objectives, such as development moratoria, zoning, health regulations, safety regulations, aesthetic regulations, fish and wildlife regulations, sensitive-area regulations, and environmental regulations, whether such regulation or action is interim or permanent. A scheme regulating the use of land does not include any regulation or government action of the federal government or regulation or government

- 1 action of the state or any local governmental entity taken to comply 2 with the minimum requirements of federal law or regulation.
- 3 (2)(a) When a parcel of real property has been taken for public use 4 as provided in this chapter, the governmental unit or units that 5 implement the scheme regulating the use of land shall be liable to the 6 owner for compensation under this chapter, and the owner shall have an 7 action at law to recover such compensation. When more than one 8 governmental unit is involved, the court shall determine the proportion 9 each unit is required to contribute to the compensation.
- 10 (b) The compensation shall be for the full amount of the decrease 11 in assessed value. In addition, an owner who prevails either through 12 settlement or verdict in an action for the recovery of such 13 compensation shall be entitled to reasonable costs, expenses of 14 litigation, and sums for attorneys' fees.
- 15 (3) Governmental units subject to this chapter shall not make 16 waiver of the provisions of this chapter a condition for approval of 17 the use of real property or the issuance of any permit or other 18 entitlement. Plaintiffs may accept an approval of use, permit, or 19 other entitlement granted by the governmental unit without compromising 20 their rights under this chapter if:
- 21 (a) A written reservation of their rights is made at the time of 22 acceptance of the authorization, permit, or other entitlement; or
- (b) An oral statement reserving their rights is made before the governmental unit granting the authorization, permit, or other entitlement at a public meeting at which the governmental unit renders its decision.
- NEW SECTION. Sec. 46. Compensation is required by this chapter unless the scheme regulating the use of land is an exercise of the police power solely to prevent or abate a public nuisance as defined at common law or an application of the public trust doctrine as it relates to navigable water only.
- NEW SECTION. Sec. 47. (1) The statute of limitations for actions brought under this chapter is the statute of limitations for actions for recovery of real property. The statute of limitations begins to run upon the enactment of the scheme regulating the use of land; or the final administrative decision implementing the scheme regulating the

- 1 use of land affecting plaintiffs' property or by a showing by the 2 plaintiff that application for administrative decision is futile.
- 3 (2) A scheme regulating the use of land is implemented with respect 4 to an owner's or user's property when actually applied to that property 5 unless the enactment of the scheme by itself operates to reduce the 6 fair market value of real property for the uses permitted at the time 7 the owner acquired title, without further governmental action and the 8 scheme contains no provision allowing for just relief from the scheme's 9 operation.
- 10 (3) This chapter applies to schemes regulating the use of land, all or some part of which is implemented after the effective date of this 12 section. No part of a scheme shall be considered for purposes of this 13 chapter if the part was implemented more that ten years before the 14 effective date of this section.
- NEW SECTION. Sec. 48. If a natural event or condition threatens to deprive an owner of land of the land's use or to cause serious damage to the land, and immediate corrective action is required to prevent this deprivation or damage, but this action will violate a state or local law or regulation unless official waiver or permission is obtained, the owner may either:

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- (1) Apply to the governmental unit charged with enforcing such regulation to take, or to permit the owner to take, the required corrective action. If the governmental unit wrongfully denies waiver or permission or fails to take reasonably timely action upon the application, so that such deprivation or damage occurs, the governmental unit shall be liable to the owner for the diminution in value of the land which occurs unless the natural event or condition was the fault of the owner; or
- 29 (2) Without notifying the governmental unit under subsection (1) of 30 this section, take such corrective action as is reasonably necessary to prevent the threatened deprivation or damage. However, the owner shall 31 notify the governmental unit that he or she has undertaken the 32 corrective action within five days after commencing such action and 33 34 shall give a general description of the action undertaken. Thereafter, in a legal action brought by the governmental unit, the owner shall be 35 36 liable for violation of the regulation if a court determines that there was a violation and that an owner would not have qualified for any 37 38 available waiver or exemption.

NEW SECTION. Sec. 49. (1) If a governmental unit is found by a 1 court of competent jurisdiction to have committed a regulatory taking 2 under section 45 of this act, such unit shall be liable for 3 4 compensation, measured by the owner's diminution in assessed value 5 caused by such taking from the time the scheme that regulated the use of the owner's land became effective until the unit may grant an 6 7 exemption or choose to repeal such scheme. However, if the 8 governmental unit does not grant an exemption or choose to repeal the 9 regulatory scheme within a reasonable period of time, to be fixed by 10 the court, then the unit shall be liable for compensation for a permanent taking, measured by the diminution of fair market sale value 11 caused by the taking, valued as of the date of trial. This section 12 13 shall not affect any further remedy that is constitutionally required. 14 (2) Any permit, authorization, or other entitlement granted under 15 a scheme repealed under subsection (1) of this section shall continue

NEW SECTION. Sec. 50. This chapter does not preclude any action at law or equity that an owner would have had if this chapter had not been enacted.

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to be valid.

- NEW SECTION. Sec. 51. If the state or any of its political subdivisions imposes, changes, or implements any scheme regulating the use of land in such a way as to reduce the previous assessed value of a taxpayer's property, the county assessor shall, on or before the ensuing April 1, adjust the property's assessed value downward by an amount equal to the difference between the assessed value of the property under the new scheme, and the previous assessed value.
- 27 NEW SECTION. Sec. 52. Whenever any compensation is paid to a property owner by the state or by any local governmental entity 28 29 pursuant to a judgment or agreement to compensate for a regulatory taking under this chapter, the payor shall cause to be recorded with 30 the county auditor for the county in which the real property is located 31 32 a notice of compensation for regulatory taking. This notice shall contain a legal description of the affected parcel of real estate, a 33 34 statement of the reason for compensation, the name of the payor, the 35 name of the owner, and the amount paid.

- 1 NEW SECTION. Sec. 53. If a county, city, or health district is
- 2 found by a court to have committed a regulatory taking under section 45
- 3 of this act, the court shall require that the compensation owed be paid
- 4 by the state if the scheme regulating the use of land was adopted or
- 5 implemented by the county or city in order to effectuate a policy or
- 6 requirement of state or federal law.
- 7 NEW SECTION. Sec. 54. This chapter shall be known and may be
- 8 cited as the private property protection act.
- 9 <u>NEW SECTION.</u> **Sec. 55.** A new section is added to chapter 35.21 RCW
- 10 to read as follows:
- 11 Any city or town subject to the provisions of this title is also
- 12 subject to sections 45 through 54 of this act.
- 13 NEW SECTION. Sec. 56. A new section is added to chapter 35A.21
- 14 RCW to read as follows:
- 15 Any code city subject to the provisions of this title is also
- 16 subject to sections 45 through 54 of this act.
- 17 <u>NEW SECTION.</u> **Sec. 57.** A new section is added to chapter 36.01 RCW
- 18 to read as follows:
- 19 Any county subject to the provisions of this title is also subject
- 20 to sections 45 through 54 of this act.
- 21 <u>NEW SECTION.</u> **Sec. 58.** Sections 45 through 54 of this act shall
- 22 constitute a new chapter in Title 8 RCW.
- 23 <u>NEW SECTION.</u> **Sec. 59.** If any provision of sections 45 through 54
- 24 of this act or its application to any person or circumstance is held
- 25 invalid, the remainder of the act or the application of the provision
- 26 to other persons or circumstances is not affected."
- 27 **SSB 5372** S AMD

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- 28 By Senators Snyder, Anderson, West, Hargrove, Bluechel, McCaslin,
- Owen, Sellar, McDonald and Newhouse
- On page 1, line 9 of the title, after "84.52 RCW;" insert "adding
- 32 a new section to chapter 35.21 RCW; adding a new section to chapter

- 1 35A.21 RCW; adding a new section to chapter 36.01 RCW; adding a new
- 2 chapter to Title 8 RCW;"

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