

HOUSE BILL REPORT

SB 5652

As Passed House:

April 7, 1999

Title: An act relating to statutory limits on appraiser fees in eminent domain proceedings.

Brief Description: Increasing statutory limits on appraiser fees in eminent domain proceedings.

Sponsors: Senators Bauer and Sellar.

Brief History:

Committee Activity:

Transportation: 3/30/99, 4/1/99 [DP].

Floor Activity:

Passed House: 4/7/99, 91-0.

Brief Summary of Bill

- The appraisal and expenditure limit that government agencies can reimburse property owners for when property condemnation occurs is increased from \$200 to \$750. The \$200 limit was originally set in 1967.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 25 members: Representatives Fisher, Democratic Co-Chair; K. Schmidt, Republican Co-Chair; Cooper, Democratic 1st Vice Chair; Ericksen, Republican Vice Chair; Hankins, Republican Vice Chair; Buck; G. Chandler; DeBolt; Fortunato; Haigh; Hatfield; Hurst; Lovick; McDonald; Mitchell; Morris; Murray; Ogden; Pflug; Radcliff; Romero; Schindler; Schual-Berke; Skinner and Wood.

Staff: Ashley Probart (786-7319).

Background:

State and local governments may acquire title to land without the owner's consent under the power of eminent domain. The land must be taken for some legitimate public purpose and the owner of the land must receive just compensation for his or her loss. In most cases, just compensation equals the fair market value of the land.

An owner of land will sometimes evaluate the offer made by the governmental entity taking the land (condemnor) by hiring an appraiser. The condemnor must then reimburse the owner for the appraiser's services. This expense is currently capped at \$200.

The Appraisers Coalition of Washington suggests that the \$200 cap, which was set in 1967, be raised to \$750 as this amount more accurately reflects the cost of appraisals and other expenditures made by landowners. In addition, landowners rely upon appraisers to obtain an assessment of the value of their land and the current cap limits the number of appraisers willing to do condemnation work.

Summary of Bill:

Reimbursement from a governmental entity taking property by eminent domain for a landowner's expenses to evaluate the property may not exceed \$750.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Raising the allowance to \$750 will allow the property owner to be confident of the value of his property because he will be able to be reimbursed for the full price of an independent appraisal. The government also benefits from having a quality appraisal of property because it keeps it out of court in order to settle the valuation of the property.

Testimony Against: None.

Testified: T. K. Bentler, Appraisers Coalition of Washington; George Walk, Pierce County; Jim Price, Appraisers Coalition of Washington; and Jim Irish, Appraisers Coalition of Washington.