

SENATE BILL REPORT

ESSB 5142

As Passed Senate, February 25, 2025

Title: An act relating to providing owners of real estate taken through eminent domain by school districts, or sold under threat of eminent domain, the opportunity to purchase the real estate back when it is not put to intended public use.

Brief Description: Providing owners of real estate taken through eminent domain by school districts, or sold under threat of eminent domain, the opportunity to purchase the real estate back when it is not put to intended public use.

Sponsors: Senate Committee on Law & Justice (originally sponsored by Senators Hasegawa, Chapman, Nobles, Schoesler and Wellman).

Brief History:

Committee Activity: Law & Justice: 1/23/25, 1/30/25 [DPS].

Floor Activity: Passed Senate: 2/25/25, 49-0.

Brief Summary of Engrossed First Substitute Bill

- Requires school districts that acquire real estate through a condemnation action or threat of a condemnation action to offer the previous owner an opportunity to purchase it back before selling, transferring, or putting it to any other use.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 5142 be substituted therefor, and the substitute bill do pass.

Signed by Senators Dhingra, Chair; Trudeau, Vice Chair; Holy, Ranking Member; Fortunato, Lovick, Salomon, Torres and Wagoner.

Staff: Patrick Moore (786-7535)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: Eminent Domain by School Districts. By statute, school districts in the state may take privately-owned real estate through an action in superior court known as condemnation. School districts that take real estate through condemnation must pay the amount of money determined by a judge or jury to be the fair and full value of the property taken as compensation to the owner of that property.

Instead of bringing a condemnation action or reaching a final judgment in one, a school district may agree with an owner to purchase real property.

Summary of Engrossed First Substitute Bill: When a school district acquires real property through a condemnation action in court, or purchases real property after giving the owner written notice that the school district intends to bring such a condemnation action in court, it incurs several obligations.

If the property is acquired without a judgment in a condemnation action, the school district must provide the previous property owner a written statement identifying the use for which the property is being acquired. When acquired through condemnation or threat thereof, if the school district does not put that property to use as a site for school facilities or as additional grounds to existing school facilities, the property cannot be sold, transferred, or used for a different purpose until after the school district offers the previous owner an opportunity to purchase the property back. The written offer to sell the property back must be for the purchase price paid by the school district or, if acquired through a condemnation action, for the amount paid by the school district as compensation per the judgment.

A school district must offer the previous owner an opportunity to purchase back the property in certain circumstances where no progress is made toward the public use within ten years after taking, or the public use is canceled or becomes unnecessary.

Once a property is put to use as a school facility or as additional grounds to existing school facilities, the obligation of the school district to offer to sell back to the previous owner ends. Property owners may waive their rights to receive the offer and purchase back by executing a written waiver. Property owners who voluntarily request that a school district acquire their real estate through a condemnation action are not entitled to notice and an opportunity to purchase back the property.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Eminent domain has negatively

impacted millions of people in America, a disproportionate number of whom are Black. This bill arises from the experience of the Houston family in Renton, where the school district used eminent domain and obtained their land. Eminent domain projects have significant social and economic costs, while there are other ways to promote economic growth such as streamlining permitting and zoning. The issues this bill addresses are an ongoing emergency in places such as Renton where there is a present effort through eminent domain to take land from several families and businesses who do not have the resources to challenge it.

Persons Testifying: PRO: Senator Bob Hasegawa, Prime Sponsor; Emily Weaver; Kenneth C Weaver; Jerry Evans; Shaylynn Houston; John Houston, The Houston Family Land Justice Project.

Persons Signed In To Testify But Not Testifying: PRO: Dr. Linda Smith, RKCA4J; Diane Dobson.