



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 778 (Substitute S-1 as reported)
Sponsor: Senator Mat J. Dunaskiss
Committee: Local, Urban and State Affairs

CONTENT

The bill would amend the Uniform Condemnation Procedures Act to:

- Allow an agency to decline to take title to unwanted property that was a portion of an acquired parcel, but require it to pay compensation for the entire property.
- Allow an agency to apply for a variance, before or after acquisition, if acquiring a portion of a parcel would leave the remainder in nonconformity with a zoning ordinance.
- Allow an agency to request an owner to furnish financial information; require the agency to reimburse the owner for the costs of producing the information; and provide for a show cause hearing if the owner failed to comply.
- Allow an owner to file a claim with an agency if he or she believed that the agency's good faith written offer did not fully include compensable property or damage.
- Require that a court, upon either party's motion, issue an order to assure that the parties exchanged appraisal reports.
- Permit a party to recover fees for only one expert witness for each element of compensation, unless the court permitted additional experts.
- Provide that the general effects of a project, experienced by the general public in varying degrees, could not be considered in a determination of just compensation.
- Provide that a person would not be entitled to a payment if it would duplicate any other grant or payment received under any State or Federal statute or regulation.

MCL 213.51 et al.

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill would result in savings to the State and local units of government. Savings would result from provisions in the bill that would allow governmental units to apply for zoning variances for partial takings, eliminate duplicative payments, limit the number of expert witnesses, toll interest for periods of unreasonable delays, and require access to appraisals and other information. Reasonable and actual costs for production of information would have to be paid for by the agency requesting information. Comprehensive Financial Reports for the Department of Transportation list right-of-way costs at \$88.4 million in FY 1991-92, \$75.1 million in FY 1992-93, \$68.9 million in FY 1993-94, and \$89.8 million in FY 1994-95. The Department reports that normally 80% of purchases are "friendly acquisitions".

Date Completed: 9-30-96

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.