

FISCAL NOTE

SB 3237 - HB 3302

March 9, 2006

SUMMARY OF BILL: Requires property being acquired by the state, local government or any of their agencies, through the power of eminent domain to have three appraisals done prior to the taking. The condemning agency would pick one of the appraisers, the property owner would choose one appraiser, and those two appraisers would then pick the third appraiser. The condemning agency would pay for all three appraisals. The three appraisals would then be averaged and the owner of the property would be paid three times the average amount.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$1,000,000

Increase Local Govt. Expenditures – Exceeds \$1,000,000*

Assumptions:

- There is no significant reduction or increase in the number of takings that would have taken place in the absence of this bill.
- There will be an increase in state expenditures due to the increase in the value of payments made to property owners. The amount of such increase cannot be specifically quantified but can reasonably be estimated to exceed \$1,000,000.
- There will be an increase in local government expenditures due to the increase in the value of payments made to property owners. The amount of such increase cannot be specifically quantified but can reasonably be estimated to exceed \$1,000,000.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

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This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director