LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6283 NOTE PREPARED: Jan 20, 2022 BILL NUMBER: HB 1106 BILL AMENDED: Jan 20, 2022

SUBJECT: Eminent Domain.

FIRST AUTHOR: Rep. Goodrich BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill makes changes to condemnation proceedings in which appraisers are appointed after December 31, 2022. It requires a city or town to obtain the county legislative body's approval of a condemnation of property within the unincorporated area of the county.

Effective Date: Jan 1, 2023 (Amended)

Explanation of State Expenditures:

Explanation of State Revenues: Civil Actions: A civil costs fee of \$100 would be assessed when a civil case is filed. If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A portion of the fee revenue is deposited into the State User Fee Fund.

Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures: This bill prescribes that a municipality must get permission from a county's legislative body for condemnation petitions of unincorporated areas. The county's legislative body must conduct at least one public hearing on the petition. These meetings may be a cost increase to local legislative bodies but are within routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

This bill also permits a municipality to petition the circuit or superior court for judicial review of findings of the county's legislative body. This may increase a municipality's costs associated with eminent domain

HB 1106

condemnation proceedings and increases the likelihood that a municipality may petition the courts for judicial review. The overall impact of these provisions may be significant for municipalities engaged in eminent domain condemnations in unincorporated areas.

Civil Actions – This bill could increase the number of civil suits filed in Indiana courts, creating an increase in workload for the courts system. This additional workload is within the system's routine administrative functions and should be able to be met with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of Local Revenues: *Civil Actions*: If additional civil actions occur and court fees are collected, local governments would receive additional revenue from both a portion of the civil costs fee and other fees that would be collected.

State Agencies Affected:

Local Agencies Affected: Municipalities, county legislative bodies, trial courts, city and town courts.

Information Sources:

Fiscal Analyst: Matthew Leahy, 317-234-9485.

HB 1106 2