

HOUSE BILL 1003

By Faison

AN ACT to amend Tennessee Code Annotated, Title 7;
Title 29; Title 64 and Title 65, relative to fair
market value in eminent domain proceedings.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 16, Part 1, is amended by adding the following language as a new, appropriately designated section:

(a) Notwithstanding any law to the contrary, the fair market value of property taken by eminent domain in this state shall be based on the highest and best use of the property. For purposes of this section, in determining the highest and best use of the property subject to eminent domain, if the property is currently zoned for agricultural or residential use, then any person offering an opinion on the value of the property shall disregard that zoning and base the opinion on the presumption that the property has been zoned or regulated in the appropriate category that will permit for the stated purpose of the condemnation.

(b) The highest and best use shall be considered in establishing the fair market value of the property to be taken to the extent that the prospect of such use affects the market value of the property.

(c) The determination of highest and best use shall not be limited to current zoning or land use restrictions presently imposed upon the property.

(d) If any provision of law is contrary to this section, this section shall control.

SECTION 2. This act shall take effect July 1, 2013, the public welfare requiring it.