By Representatives K. Pruitt, Sembler, Mackey, Putnam, Cosgrove, Kelly, Sublette, Ogles, Valdes, Barreiro, Bainter, Melvin, Casey, Flanagan, Futch, Fasano, Tamargo, Burroughs, Wallace, Peaden, Byrd, Goode, Minton, Lawson, Posey, Ball, King, Murman, Bradley, Ritchie and Dockery

1 A bill to be entitled 2 An act relating to eminent domain; amending s. 3 73.0511, F.S.; providing requirements with 4 respect to prelitigation; providing for prelitigation notice to fee owners; providing 5 6 for exchange of appraisals; providing for 7 prelitigation notice to business operators; 8 providing a procedure with respect to certain 9 prelitigation offers; providing requirements 10 with respect to written offers; amending s. 11 73.071, F.S.; revising language with respect to 12 compensation which may be awarded by 13 determination of a jury; amending s. 337.25, F.S., to conform to the act; correcting a cross 14 15 reference; amending s. 337.27, F.S.; removing 16 language with respect to the power of the Department of Transportation to acquire certain 17 18 property; amending ss. 127.01, 166.401 and 19 337.271, F.S.; correcting cross references to 20 conform to the act; providing an effective 21 date. 22 Be It Enacted by the Legislature of the State of Florida: 23 24 Section 73.0511, Florida Statutes, is 25 Section 1. 26 amended to read: 27 73.0511 Prelitigation notice.--28 (1) Prior to instituting litigation, the condemning 29 authority shall notify the fee owners appearing of record as to the date the offer is made of statutory rights under s. 30

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73.091, and shall make a written offer of full compensation naming the fee owners to whom it is made.

- (2)(a) After the offer is made, the fee owner may request a copy of the most current appraisal and construction plans pertaining to the property upon which the offer is based. The governmental condemning authority shall provide the appraisal and plans within 15 days after the request; however, with respect to lands acquired pursuant s. 259.041, the condemning authority shall not be required to give the fee owners the current appraisal prior to the execution of an option contract to purchase the property.
- (b) Within 30 days after receipt of the governmental condemning authority's appraisal, the fee owners shall provide the governmental condemning authority a copy of the most current appraisal of the property prepared during the prior 3 years which is within the control or possession of the owner.
- (3) Prior to instituting litigation, the governmental condemning authority shall make a good faith effort to notify the onsite operators of businesses located on property to be acquired for a proposed right-of-way project of all statutory rights under s. 73.091. If requested, the governmental condemning authority shall, within 30 days, provide to the owner or onsite operator of the business a copy of the construction plans, if any, and right-of-way maps pertaining to the property to be acquired.
- (4) After the governmental condemning authority tenders a prelitigation offer pursuant to subsection (1), the governmental condemning authority may seek to obtain from the owner or onsite operator of the business a copy of the business records kept in the ordinary course of business, if available. For the purposes of this section and s.

73.092(1)(a)2., business records shall be limited to copies of federal income tax returns, federal income tax withholding 2 statements, federal miscellaneous income tax statements, 3 balance sheets, profit and loss statements, and state 4 5 corporate income tax returns attributable to the business 6 operation on the property to be acquired for the 3 years 7 preceding notification. If any of these records are 8 consolidated with other business operations not on the 9 property to be acquired, then it will be sufficient in the 10 alternative that edited portions of the business records attributable to the business operation on the property to be 11 acquired for the 3 years preceding notification be provided in 12 13 addition to a signed acknowledgment from the business owner. The provisions of this subsection are not mandatory and shall 14 15 not be construed as a condition for claiming business damages, but are intended solely for the purposes of encouraging 16 17 prelitigation settlements. 18 (5) Subsequent to the owner or onsite operator of the 19 business furnishing the business records in response to a 20 request, the governmental condemning authority may make a written offer of settlement for business damages. If an 21 22 eminent domain action is initiated under chapters 73 and 74 23 for acquisition of the property more than 90 days after the governmental condemning authority has received the business 24 records, it shall include the amount of its good faith 25 estimate of business damages in its declaration of taking and 26 27 shall deposit the amount of the business damage estimate into 28 the court registry. The good faith estimate shall constitute a written offer of settlement. 29 30 Section 2. Subsection (3) of section 73.071, Florida

Statutes, is amended to read:

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- 73.071 Jury trial; compensation; severance damages.--
- (3) The jury shall determine solely the amount of compensation to be paid, which compensation shall include:
- (a) The value of the property sought to be appropriated, provided that when the use of the property to be acquired is an agricultural operation as defined in s.

  570.02(1), income from farming shall be deemed attributable to real estate.
- (b) Where less than the entire property is sought to be appropriated, any damages to the remainder caused by the taking.
- (c) including, When the action is by the Department of Transportation, county, municipality, board, district or other public body for the condemnation of a right-of-way, and the effect of the taking of the property involved or substantial diminution of access may damage or destroy an established business of more than 3 5 years' standing at that business location, owned and operated at that location owned by the party whose property is being taken or whose access is being substantially diminished lands are being so taken, located upon adjoining lands owned or held by such party, the probable damages to such business which the denial of the use of the property so taken or access substantially diminished may reasonably cause; any person claiming the right to recover such special damages shall set forth in his or her written defenses the nature and extent of such damages, provided that the total compensation awarded for business damages may not exceed the value of the business and reasonable moving expenses.; and
- (d) Evidence of the ability to mitigate severance and business damages onsite or by relocating all or part of the

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business to an adjacent property or to another comparable location in the same market trade area may be considered when the cost of mitigation is less than the total severance and business damages claimed. Any increased costs of operation and reasonable expenses of mitigation resulting from the onsite mitigation plan or from the relocation of the business to another comparable location in the same market trade area, together with moving costs, downtime losses, and unmitigated damages, may be included when determining severance damages, business damages, and the total cost to cure payable to the claimant.

(e) (c) Where the appropriation is of property upon which a mobile home, other than a travel trailer as defined in s. 320.01, is located, whether or not the owner of the mobile home is an owner or lessee of the property involved, and the effect of the taking of the property involved requires the relocation of such mobile home, the reasonable removal or relocation expenses incurred by such mobile home owner, not to exceed the replacement value of such mobile home. The compensation paid to a mobile home owner under this paragraph shall preclude an award to a mobile home park owner for such expenses of removal or relocation. Any mobile home owner claiming the right to such removal or relocation expenses shall set forth in his or her written defenses the nature and extent of such expenses. This paragraph shall not apply to any governmental authority exercising its power of eminent domain when reasonable removal or relocation expenses must be paid to mobile home owners under other provisions of law or agency rule applicable to such exercise of power.

Section 3. Paragraph (g) of subsection (5) of section

337.25, Florida Statutes, is amended to read:

337.25 Acquisition, lease, and disposal of real and personal property.--

- (5) The department may convey a leasehold interest for commercial or other purposes, in the name of the state, to any land, building, or other property, real or personal, which was acquired under the provisions of subsection (1).
- (g) No lease executed under this subsection may be utilized by the lessee to establish the  $\underline{3}$  5 years' standing required by s.  $\underline{73.071(3)(c)}\underline{73.071(3)(b)}$  if the business had not been established for  $\underline{3}$  5 years on the date title passed to the department.

Section 4. Subsections (2), (3), (4), and (5) of section 337.27, Florida Statutes, are amended to read:

337.27 Exercise of power of eminent domain by department; procedure; title; cost.--

department may acquire an entire lot, block, or tract of land if, by doing so, the acquisition costs to the department will be equal to or less than the cost of acquiring a portion of the property. This subsection shall be construed as a specific recognition by the Legislature that this means of limiting the rising costs to the state of property acquisition is a public purpose and that, without this limitation, the viability of many public projects will be threatened.

 $\underline{(2)}$  Title to any land acquired in the name of the department vests in the state.

(3) (4) The department is authorized to pay the judgment or compensation, including deposits required, awarded in any such proceedings out of any funds available to the department for the maintenance or construction of any transportation facility on the State Highway System, on the

State Park Road System, or in a transportation corridor designated by the department.

(4)(5) When the department acquires property for a transportation facility or in a transportation corridor through the exercise of eminent domain authority, or by purchase or donation, it is not subject to any liability imposed by chapter 376 or chapter 403 for preexisting soil or groundwater contamination due solely to its ownership. This section does not affect the rights or liabilities of any past or future owners of the acquired property nor does it affect the liability of any governmental entity for the results of its actions which create or exacerbate a pollution source. The department and the Department of Environmental Protection may enter into interagency agreements for the performance, funding, and reimbursement of the investigative and remedial acts necessary for property acquired by the department.

Section 5. Subsection (5) of section 337.271, Florida Statutes, is amended to read:

337.271 Negotiations for acquisitions.--

damages pursuant to s. 73.071(3)(b) or (c), he or she may, within 120 days after receipt of the notice required by subsection (2) or at a later time specified by the department, submit to the department a complete estimate of business damages to the property. The fee owner may waive his or her right to the 120 days to obtain an estimate of business damages by providing the department with written notice of such waiver. If an estimate is submitted, it shall explain the nature and extent of such damages and shall be prepared by either the owner or a certified public accountant. If the business owner elects to submit an estimate of business

damages to the department, he or she shall also permit the department to copy and examine, at the owner's convenience, such of the owner's business records as the department determines to be necessary for it to arrive at an estimate of business damages.

Section 6. Paragraph (b) of subsection (1) of section

Section 6. Paragraph (b) of subsection (1) of section 127.01, Florida Statutes, is amended to read:

127.01 Counties delegated power of eminent domain; recreational purposes, issue of necessity of taking.--

(1)

(b) Each county is further authorized to exercise the eminent domain powers granted to the Department of Transportation by s. 337.27(1) and (2), the transportation corridor protection provisions of s. 337.273, and the right of entry onto property pursuant to s. 337.274.

Section 7. Subsection (2) of section 166.401, Florida Statutes, is amended to read:

166.401 Right of eminent domain. --

(2) Each municipality is further authorized to exercise the eminent domain powers granted to the Department of Transportation in s. 337.27(1) and (2)and the transportation corridor protection provisions of s. 337.273.

Section 8. This act shall take effect October 1 of the year in which enacted.

\*\*\*\*\*\*\*\*\*\* HOUSE SUMMARY Revises provisions of law relating to eminent domain to:
1. Revise provisions relating to prelitigation notice. Delete a provision relating to the determination by the jury of the compensation to be paid.

3. Delete a provision allowing the Department of Transportation to acquire an entire lot, block, or tract of land, if, by doing so, the acquisition costs to the department will be equal to or less than the cost of acquiring a portion of the property. See bill for details.