



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0293	Title:	Revise eminent domain laws to require interest on litigation
Primary Sponsor:	Lieser, Ed	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$34,907	\$34,907
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$34,907	\$34,907
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill directs the Department of Transportation to pay, in the event of litigation and when the condemnee prevails, necessary expenses including expenses of litigation to be calculated at 10% a year from the date of service.

FISCAL ANALYSIS

Assumptions:

1. Typically, condemnation litigation proceedings take two years to settle, and as a result it is assumed the first payment of interest would not be made until FY 2016.
2. Over the past five years MDT has made 23-payments equaling \$831,121 to other attorneys as part of litigation agreements, or \$166,224 (\$831,121/5) annually.
3. Interest at 10% compounded over two years is on this average amount would be \$34,907.

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$0	\$0	\$34,907	\$34,907
TOTAL Expenditures	\$0	\$0	\$34,907	\$34,907
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$34,907	\$34,907
TOTAL Funding of Exp.	\$0	\$0	\$34,907	\$34,907
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$34,907	\$34,907
TOTAL Revenues	\$0	\$0	\$34,907	\$34,907
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date