## SENATE BILL 6089

State of Washington 63rd Legislature 2014 Regular Session

By Senators Padden, Roach, Benton, Becker, Schoesler, Dammeier, O'Ban, Brown, Hewitt, Honeyford, and Braun

Read first time 01/15/14. Referred to Committee on Law & Justice.

- 1 AN ACT Relating to prohibiting the use of eminent domain for
- 2 economic development; amending RCW 35.81.080; and adding a new chapter
- 3 to Title 8 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The definitions in this section apply 6 throughout this chapter unless the context clearly requires otherwise.
- 7 (1) "Consumer-owned utility" has the same meaning as in RCW
- 8 19.27A.140.
- 9 (2) "Economic development" means any activity to increase tax 10 revenue, tax base, employment, or general economic health, when that 11 activity does not result in:
- 12 (a) The transfer of property to public possession, occupation, and 13 enjoyment;
- 14 (b) The transfer of property to a private entity that is a public 15 service company, consumer-owned utility, or common carrier;
  - (c) The use of eminent domain:
- 17 (i)(A) To remove a public nuisance;
- 18 (B) To remove a structure that is beyond repair or unfit for human
- 19 habitation or use; or

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- 1 (C) To acquire abandoned property; and
- 2 (ii) To eliminate a direct threat to public health and safety 3 caused by the property in its current condition; or
  - (d) The transfer of property to private entities that occupy an incidental area within a publicly owned and occupied project.

"Economic development" does not include the transfer of property to a public service company, a consumer-owned utility, or a common carrier for the purpose of constructing, operating, or maintaining generation, transmission, or distribution facilities. "Economic development" also does not include port districts' activities under Title 14 or 53 RCW.

- 11 "Economic development" also does not include highway projects.
- 12 (3) "Public service company" has the same meaning as defined in RCW 80.04.010.
- 14 (4)(a) "Public use" means:

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- 15 (i) The possession, occupation, and enjoyment of the property by 16 the general public, or by public agencies;
- 17 (ii) The use of property for the creation or functioning of public 18 service companies, a consumer-owned utility, or common carriers; or
  - (iii) Where the use of eminent domain:
- 20 (A)(I) Removes a public nuisance;
- 21 (II) Removes a structure that is beyond repair or unfit for human 22 habitation or use; or
- 23 (III) Is used to acquire abandoned property; and
- 24 (B) Eliminates a direct threat to public health and safety caused 25 by the property in its current condition.
- 26 (b) The public benefits of economic development, including an 27 increase in tax base, tax revenues, employment, and general economic 28 health, may not constitute a public use.
- NEW SECTION. Sec. 2. Private property may be taken only for public use and the taking of private property by any public entity for economic development does not constitute a public use. No public entity may take property for the purpose of economic development.
- 33 <u>NEW SECTION.</u> **Sec. 3.** In an action to establish or challenge the 34 asserted public use of a taking of private property, the taking of 35 private property shall be deemed for economic development, and not a 36 proper basis for eminent domain, if the court determines that the

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- 1 taking of the private property does not result in any of the exceptions
- 2 to economic development set forth in section 1(2) of this act, and
- 3 economic development was a substantial factor in the governmental
- 4 body's decision to take the property.

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5 **Sec. 4.** RCW 35.81.080 and 2002 c 218 s 8 are each amended to read 6 as follows:

A municipality shall have the right to acquire by condemnation, in accordance with the procedure provided for condemnation by such municipality for other purposes, any interest in real property, which it may deem necessary for a community renewal project under this chapter after the adoption by the local governing body of a resolution declaring that the acquisition of the real property described therein is necessary for such purpose. Condemnation for community renewal of blighted areas is declared to be a public use, and property already devoted to any other public use or acquired by the owner or a predecessor in interest by eminent domain may be condemned for the purposes of this chapter. Condemnation of property in blighted areas for economic development, as defined in section 1 of this act, is not a public use.

20 The award of compensation for real property taken for such a 21 project shall not be increased by reason of any increase in the value the real property caused by the assembly, clearance, 22 23 reconstruction, or proposed assembly, clearance, or reconstruction in 24 the project area. No allowance shall be made for the improvements 25 begun on real property after notice to the owner of such property of the institution of proceedings to condemn such property. Evidence 26 27 shall be admissible bearing upon the insanitary, unsafe, or substandard 28 condition of the premises, or the unlawful use thereof.

NEW SECTION. Sec. 5. Sections 1 through 3 of this act constitute a new chapter in Title 8 RCW.

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