

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6529**

**BILL NUMBER: HB 1113**

**DATE PREPARED:** Dec 1, 1998

**BILL AMENDED:**

**SUBJECT:** Land valuation in eminent domain proceedings.

**FISCAL ANALYST:** Beverly Holloway

**PHONE NUMBER:** 232-9851

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill defines the fair value of real property as 150% of the highest and best use of the property.

In a proceeding for the condemnation or appropriation of property for public use, a person appointed to appraise the property shall use the fair value of the property as the basis for fixing the amount of compensation, damages, or benefits to be awarded or assessed.

This bill makes conforming amendments to Indiana Code provisions governing eminent domain procedures in general and for cities and towns, state government, and the Indiana Department of Transportation.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** This bill would require the State to pay 150% of the fair value for land acquired through eminent domain. The current payment is 100%. The fiscal impact is indeterminable and dependent on the amount of land acquired by the State through eminent domain.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** As with the State, any county, township, city, town or taxing district would pay 50% more, from 100% to 150%, than is currently paid for land acquired through eminent domain. The fiscal impact of this provision is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** County; Township; City; Town; Taxing district.

**Information Sources:**