

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 509 (as passed by the Senate)  
Sponsor: Senator Mat J. Dunaskiss  
Committee: Local, Urban and State Affairs

Date Completed: 6-8-98

### **RATIONALE**

In Michigan, when property is acquired by an agency (a public body or a private entity authorized by law to condemn property), the agency must comply with the Uniform Condemnation Procedures Act. Essentially, the Act requires an agency to make a good faith offer in the amount it believes to be just compensation, and provides for a circuit court determination when the parties disagree on the purchase. Public Act 308 of 1993 amended the Act to allow a court to order that a portion of the money offered by a local government to acquire property under the power of eminent domain remain in escrow as security for the costs of cleaning up possible environmental contamination. Subsequently, a number of concerns about the condemnation process also arose. Public Act 474 of 1996 further amended the Act to address these concerns, which include issues involving an agency's establishing just compensation. In amending the Act, provisions permitting an agency to withdraw and resubmit a good faith written offer omitted reference to the amended version of the Act with which a good faith offer must comply.

### **CONTENT**

The bill would amend the Uniform Condemnation Procedures Act to specify the version of the Act with which a resubmitted good faith written offer must comply.

Currently, if an agency made a good faith written offer before January 28, 1994, but has not filed a complaint for acquisition of the property, the agency may withdraw the good faith written offer and resubmit an offer that complies with the Act as amended. The bill specifies that a resubmission of the offer would have to comply with the Act as amended by Public Act 308 of 1993.

MCL 213.55

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

The bill simply would make it clear that a resubmitted offer would have to comply with and be based on the Act as amended by Public Act 308 of 1993.

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: B. Bowerman

#### **A9798\S509A**

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.