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House Bill 5820 (Substitute S-1 as reported)  
House Bill 5821 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Representative LaMar Lemmons III (H.B. 5820)  
Representative Bill McConico (H.B. 5821)  
House Committee: Government Operations  
Senate Committee: Transportation

### **CONTENT**

House Bill 5820 (S-1) would amend the Uniform Condemnation Procedures Act (UCPA) to specify that provisions related to money deposited in an escrow account as security for costs of environmental remediation on condemned property would not apply to money deposited in escrow for the payment of just compensation for an owner's principal residence, if the principal residential structure were actually taken or the amount of the property taken left less residential structure than the minimum lot size if the local governing unit had implemented one by zoning ordinance.

The bill provides that it would not limit or expand an owner's or agency's rights to bring Federal or State cost recovery claims.

House Bill 5821 (S-1) would amend the UCPA to do the following:

- Require an agency to notify occupants of property subject to an eminent domain proceeding of their legal rights in the process.
- Revise provisions under which a property owner may file a claim for just compensation for property he or she believes was excluded from a good faith offer by an acquiring agency.
- Require an acquiring agency taking a principal residence to pay an amount to the owner in addition to the amount estimated to be just compensation.

The bills are tie-barred to each other. They would take effect on December 23, 2006.

MCL 213.58 (H.B. 5820)  
213.55 (H.B. 5821)

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

House Bill 5820 (S-1) would have an indeterminate fiscal impact on the State and local units of government.

House Bill 5821 (S-1) would have an indeterminate impact on the amount paid by the State and local units of government in condemnation proceedings.

Date Completed: 9-14-06

Fiscal Analyst: Bill Bowerman

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Bill Analysis @ [www.senate.michigan.gov](http://www.senate.michigan.gov)

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.