

SENATE BILL 880

By Haile

AN ACT to amend Tennessee Code Annotated, Section
29-17-1005, relative to eminent domain.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 29-17-1005, is amended by deleting the section in its entirety and by substituting instead:

(a) If any county, municipality, or other entity exercising the power of eminent domain under this chapter, chapter 16 of this title, or any other law decides to sell the property within ten (10) years of the property being condemned or taken, has failed to initiate any development to the property for the purpose for which it was condemned or taken within ten (10) years after being condemned or taken, or uses the property for a purpose other than the purpose for which it was condemned or taken, then the property shall be offered for sale to the person or persons from whom the property was condemned or taken. The former property owner may purchase the property for the price paid to the owner by the entity at the time the entity acquired the property through eminent domain, or an amount representing not less than the fair market value, together with costs, whichever is less. The person from whom the property was condemned or taken shall have thirty (30) days in which to sign an agreement to purchase the property or may file a petition pursuant to subsection (b).

(b) If any county, municipality, or other entity exercising the power of eminent domain under this chapter, chapter 16 of this title, or any other law fails to offer property for sale to the prior property owner pursuant to subsection (a), then any person or persons from whom the property was condemned or taken may file a petition with the court having jurisdiction over the property in order to:

(1) Require the sale of the property for the lesser of:

(A) The price paid to the owner by the entity at the time the entity acquired the property through eminent domain; or

(B) The current fair market value of the property, together with costs; or

(2) Order the payment of any appreciation in value of the property from the time of initial acquisition to the time of the petition, less any appreciation due to modifications made to the property after the time of condemnation.

(c) If the property is not purchased by the former property owner within thirty (30) days as described in subsection (a), the property may be offered for sale in any commercially reasonable manner to the general public. The property shall be sold for an amount not less than the fair market value, together with costs. The good faith effort by the condemning entity to locate and contact the former property owner satisfies this section, and the sale shall be valid. The former property owner's right shall not transfer to the owner's heirs.

(d) For purposes of this section, "development" includes, but is not limited to, preliminary engineering, design, permitting, contracting, funding, or construction.

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it.