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that is morally wrong.*

MISSOURI SENATE
JEFFERSON CITY

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Senate Advances Bill Protecting Missouri Homes, Farms and Businesses

Bill Limits Eminent Domain for Economic Development

JEFFERSON CITY – The Missouri Senate today approved a bill that limits eminent domain for economic development and updates nearly 60 year-old, out-dated practices of seizing land using eminent domain for public projects such as roads and utilities. Under the new bill, families and businesses would also be better compensated when they are not willing to sell.

The measure, House Bill 1944, puts property owners first by limiting eminent domain from being used in projects solely for economic development. Secondly, in the rare cases where eminent domain could be used, the bill outlines that property owners should be paid based on what the price of the land would be for development, not its current use. Heritage value, meaning homes, farms or businesses that have been in the same extended family for at least 50 years, will automatically receive an additional 50 percent on top of the land's value. Farmland is prohibited from being blighted. Anyone whose home or business is taken will receive homestead value, or an additional 25 percent on top of the home's value.

“We are the only state to come forward and declare that protecting Missourians’ homes, farms and businesses come before economic development,” Sen. Chris Koster, R-Harrisonville, the bill’s handler said. “We are also the first to say that if there is a willing buyer and an unwilling seller, the buyer must pay what the land developed is worth.”

The bill also includes re-establishment costs, capped at \$10,000 for any business displaced by eminent domain. Relocation costs, up at \$1,000 are available for homeowners and renters.

The bill also works to update eminent domain laws dealing with public use. It requires notice to landowners as soon as a utility or transportation department looks at purchasing an easement. It prohibits easements from being transferred or used for a different purpose than originally purchased for. And in the case the use of the land within 300 feet of the home or business on a property is disturbed by the easement, the utility or department must pay an additional 25 percent under the Homestead value provision.

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Senate President Pro Tem Michael R. Gibbons, R-Kirkwood, represents Sunset Hills which was devastated by a failed eminent domain project for a new shopping mall.

“The most powerful reform was seen in the local elections this April when local alderman and the mayor in Sunset Hills were voted out of office for trying to displace a good neighborhood for more tax revenue from a shopping mall,” Gibbons said. “This bill draws a fine line that will prevent developers and local governments from abusing the awesome power of government to take someone’s home, farm or business.”

The House must either accept the Senate version of the bill or work out their differences in a conference committee.

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